

Legislature of Ontario Debates

Friday, August 30, 1974 – Friday, November 15, 1974

No. 97



Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Ninth Legislature

Friday, August 30, 1974

Speaker: Honourable Allan Edward Reuter
Clerk: Roderick Lewis, QC

THE QUEEN'S PRINTER
PARLIAMENT BUILDINGS, TORONTO
1974

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Price per session, $10.00. Address, Clerk of the House, Parliament Bldgs., Toronto

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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, AUGUST 30, 1974

The House met at 3 o'clock, p.m.

Prayers.

Mr. Speaker: Statements by the ministry.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Mr. Speaker, due to the gravity of the situation that has brought us back to the House, I would suggest that we move directly to the introduction of bills.

Mr. Speaker: Is it agreed that we do so move directly to the introduction of bills?

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, since the hon. House leader is suggesting that we forego question period, we in the Liberal caucus, recognizing the importance of the situation and the fact that we want to deal with the matter without further delay, are prepared to forego the question period today.

Mr. S. Lewis (Scarborough West): Mr. Speaker, you have our concurrence as well.

Mr. Speaker: I would therefore call the item of business introduction of bills.

TORONTO TRANSIT COMMISSION LABOUR DISPUTES SETTLEMENT ACT

Hon. Mr. MacBeth moves first reading of bill intituled, An Act respecting Labour Disputes between the Toronto Transit Commission and Division 113, Amalgamated Transit Union, Lodge 235, International Association of Machinists and Aerospace Workers and the Canadian Union of Public Employees, Local No. 2.

Mr. Speaker: Shall the motion carry?

Mr. Lewis: No. On a point of order, Mr. Speaker, if I may, can we have from the House leader or the Premier any indication of how the debate will move procedurally?

There has been an effort to give us some time between first and second reading, and we consider that rather important.

Hon. W. G. Davis (Premier): Mr. Speaker, I certainly appreciate the way in which the opposition is assisting in dealing with this very difficult matter.

In discussions I think it was determined, Mr. Speaker, with the concurrence of the House, that after the bills are introduced, the Minister of Labour making a brief statement of explanation, the House leader would move adjournment of the House for one hour to give the various members an opportunity to assess the contents of the bill.

If you agree, Mr. Speaker, we would resume at approximately 4:10 or 4:12 and move then into second reading of the bill.

Mr. Speaker: With this explanation, then, is it the pleasure of the House that the motion for first reading carry?

Some hon. members: No.

Mr. Speaker: Those in favour of first reading of the bill will please say "aye."

Those opposed to first reading of the bill will please say "aye"—please say "nay."

Mr. Lewis: You should try that again, Mr. Speaker.

Interjections by hon. members.

Mr. Speaker: I have been on vacation.

Those in favour of first reading of the bill will please say "aye."

Those opposed will please say "nay."

In my opinion the "ayes" have it.

Motion agreed to; first reading of the bill.

Hon. J. P. MacBeth (Minister of Labour): Mr. Speaker, the legislation which I have presented is designed to end the work stoppage of the Toronto Transit Commission employees and to establish machinery for resolving issues that are still in dispute.

Certainly, in the public interest, the time has arrived to restore transportation services for the more than two million citizens of Metropolitan Toronto and for the many others in other parts of the province who rely on the Gray Coach Lines.

On the other hand, Mr. Speaker, I recognize that this action must be taken only after anxious consideration. The employees affected by this bill are engaged in a legal strike. Only twice before in the last 14 years has

the Legislature of this province met to terminate legal work stoppages.

Clearly this government believes that it is preferable for collective agreements to be arrived at through direct bargaining between the interested parties, assisted where necessary by professional conciliators and mediators from the Ministry of Labour.

The ministry's staff devoted countless hours and days, both before and after the strike, to trying to bring about a negotiated settlement. In that period some 135 issues in dispute were resolved, leaving—I might say here Mr. Speaker, that my notes read "14 items to be finally determined;" I am now pleased to tell the House that nine items are to be finally determined. The senior staff of the ministry, including the minister, devoted major portions of their time to this matter in the last few days.

This week it became clear that a complete settlement was not in sight. Yesterday's membership meeting confirmed this. I place no blame on either side for the present state of affairs. From my meetings with each side I have been impressed by the sincerity of opinions expressed and I'm satisfied—

Mr. Lewis: What sincerity on the part of Karl Mallette and company!

Interjections by hon. members.

Mr. Speaker: Order, please. Order.

I must point out to the visitors in the gallery that they are here as our guests. We are pleased to have them here to observe the proceedings in the chambers, in particular in connection with this particular bill. I must point out to them, though, that they are our guests and they must observe the rules that apply to those people who are permitted to have seats in the chambers.

Those rules do not provide for any applause, any laughter, any noise, any interruptions or demonstrations of any kind. I'm sure the guests today are all reasonable people and will observe the rules that apply to every other visitor in this chamber. Thank you.

Hon. Mr. MacBeth: Thank you, Mr. Speaker.

I have suggested that I have been satisfied with the sincerity of opinions expressed and believe each party has taken a position that is in the interests of the persons it represents; that is, the union members, the travelling public and the taxpayers.

But the time has come, regrettably, for this Legislature to intervene on behalf of all those affected by this dispute. The Premier, who has given many hours of his time toward trying to achieve settlement, spoke yesterday of the hardship to the elderly.

Mr. E. W. Martel (Sudbury East): Why doesn't the government pass the GAINS benefits on to them?

Mr. Lewis: Let the government do something about inflation if it is worried about the elderly.

Mr. Martel: It might pass the federal money on.

Interjections by hon. members.

Hon. Mr. MacBeth: On Tuesday, thousands of school children will require public transport in order to continue their studies. Some 8,000 separate school children rely on the Toronto Transit Commission to get to school. Many others, especially in the secondary schools, have those same requirements.

Members will recognize that many of the provisions of the bill are the same as those used on the two previous occasions that the Legislature has taken similar action.

Mr. M. C. Germa (Sudbury): It's getting easier all the time.

Mr. M. Cassidy (Ottawa Centre): Why doesn't the government pass an omnibus bill since it believes in this?

Hon. Mr. MacBeth: The bill provides for employees to return to work in accordance with established procedures. If the bill is passed promptly, employees can resume work tomorrow in accordance with the same schedules which were in force when the strike commenced.

This bill provides for a 12 per cent salary increase to all affected employees, retroactive to July 1, 1974, in the case of some 5,800 members of the Amalgamated Transit Union and retroactive to April 1, 1974, in the case of machinists and electricians represented by the International Association of Machinists and the Canadian Union of Public Employees respectively.

Mr. Speaker, now that this action has proved necessary, I urge the House to give this bill prompt consideration in order that the normal transit operations and the municipal and provincial economy affected by them can be restored as quickly as possible.

LEGISLATIVE ASSEMBLY ACT

Mr. R. F. Nixon moves first reading of bill intituled, An Act to amend the Legislative Assembly Act.

Motion agreed to; first reading of the bill.

Mr. R. F. Nixon: Mr. Speaker, the purpose of the bill is to provide for the calling of a by-election when the Legislature is in session but is not sitting. It removes from the present legislation the anachronism which has left the constituency of Stormont unrepresented since the resignation of the former Minister of Labour.

LEGISLATIVE ASSEMBLY ACT

Hon. Mr. Winkler moves first reading of bill intituled, An Act to amend the Legislative Assembly Act.

Motion agreed to; first reading of the bill.

Mr. Cassidy: We had one too.

Hon. Mr. Winkler: Yes. I'll bet the member which one is called first.

Mr. V. M. Singer (Downsview): Be careful of that. He might lose the bet.

Interjections by hon. members.

Mr. Singer: I haven't been paid my bet yet; my $10, by the Treasurer (Mr. White).

Mr. Speaker: Order.

Mr. R. F. Nixon: We will have a look at it.

An hon. member: Do members want an explanation?

Mr. Lewis: Just give us the date.

Hon. Mr. Winkler: Mr. Speaker, in explanation—which explanation, I might say, is very similar to the one given by the Leader of the Opposition—

An hon. member: Same bill.

Hon. Mr. Winkler: —I was aware, Mr. Speaker, that that bill was coming forward from the official opposition. Also, the official opposition was aware that we had a bill printed to bring forward.

Mr. R. F. Nixon: So that's the explanation.

Hon. Mr. Winkler: So, inasmuch as he may have scooped me somewhat today, I must explain to the House that our bill will be called today; his could not be called until some months hence.

Mr. R. F. Nixon: On a point of clarification, Mr. Speaker, perhaps he might scoop not only the House but the people of Stormont and tell us when the by-election would be held?

Hon. Mr. Winkler: Mr. Speaker, that is not my prerogative.

Mr. R. F. Nixon: Is there anybody here who knows?

Mr. Singer: Mr. Speaker, perhaps on a point of order, I wonder if the House leader could tell us, if we were prepared to give unanimous consent, if this bill as well could get three readings today?

Mr. Speaker: I regret that that is not a point of order.

Mr. Singer: Well, it's a good question anyway.

Mr. Speaker: Do I understand that there will be a motion to adjourn?

Hon. Mr. Winkler: Yes, Mr. Speaker. I move that the House do now adjourn until 4:18.

Mr. J. R. Breithaupt (Kitchener): Can the House leader advise us if it is the intention of the government to proceed, pursuant to rule 45, with respect to the obtaining of unanimous consent for bills to be printed and on the order paper, or just what the procedure will otherwise be?

Hon. Mr. Winkler: Mr. Speaker, when we return to the House, I think the hon. members' fears will be quelled.

Mr. Breithaupt: I have no fear.

Hon. Mr. Winkler: No, well they will be here.

Mr. J. E. Bullbrook (Sarnia): Mr. Speaker, speaking to that point of order, is it untoward to respond to the House leader of the Liberal Party?

Hon. Mr. Winkler: Not at all.

Mr. Bullbrook: Well, through you, Mr. Speaker, would the House leader advise us, does he intend to ask for unanimous consent to approach second reading? That's all the question was.

Hon. Mr. Winkler: Mr. Speaker, as far as I am concerned, we have that consent now

and we will proceed when we return to the House.

Mr. Bullbrook: Do I assume the House leader, Mr. Speaker, is saying that he now has unanimous consent to proceed to second reading?

Mr. Breithaupt: Without asking for it.

Mr. Bullbrook: He has it already? When was it asked for? I must have been asleep at the time. When was it asked for, Mr. Speaker?

Interjections by hon. members.

Mr. Breithaupt: It wasn't asked for.

Mr. Singer: It wasn't asked for at all.

Mr. Bullbrook: How could he get it yesterday? We weren't in session.

Mr. Speaker: I am not sure that I should inject my words into this crossfire. However, I am sure that the hon. members will know that unanimous consent was not given in this House.

Mr. Bullbrook: I guess not.

Mr. Speaker: I do believe that there have been some informal consents arranged.

An hon. member: We don't need them.

Mr. Speaker: I'm not certain about it.

Interjections by hon. members.

Mr. Speaker: Order please.

An hon. member: They don't even know what the House leader is doing.

Hon. A. Grossman: (Provincial Secretary for Resources Development): The member should ask his leader.

Interjections by hon. members.

Mr. Speaker: Order please. I am informed that the hon. House leader had intimated to the House that we would proceed after we came back in one hour and that agreements had been given for that.

Mr. I. Deans (Wentworth): What with?

Mr. Lewis: Mr. Speaker, the House doesn't work by intimation.

Mr. Bullbrook: Mr. Speaker, may I speak to the point of order. May I, on my own point of order, put it that the House leader of the Liberal Party truly, through you, put to the House leader for the government the question, "May I assume that we are going to proceed further and that you're going to ask for unanimous consent?" This required a "yes" or "no," that's all. "Yes" I take it is "yes."

Hon. Mr. Winkler: That is absolutely correct.

Mr. Bullbrook: All right. Good. That is all we wanted to know.

An hon. member: Except we didn't know.

Mr. Speaker: That is agreed then.

Hon. Mr. Winkler moves the adjournment of the House.

Motion agreed to.

The House adjourned at 3:20 o'clock, p.m.

The House met at 4:20 o'clock, p.m.

Mr. R. F. Nixon: Mr. Speaker, on a point of order, before we proceed with the business at hand I would like to call to your attention, sir, that since we adjourned just an hour ago, order paper 77 mysteriously disappeared and order paper 77(a) took its place. Now, this is the way that someone in the administration conceived of getting around the requirements of getting unanimous consent, because they can say, in fact, that they have an order paper on which second reading of the bill is listed.

I would simply like to express my objection in this regard. The opposition has little enough opportunity to have an input into the business of the House. We had indicated quite clearly and privately that we were going to give unanimous consent, and in my opinion if it had not been forthcoming it would have been good reason to adjourn the House and come back again another day to complete this bill.

I am just putting to you, sir, that this establishes a precedent which we in the opposition do not accept and we hope that you will give it your personal and immediate attention.

Hon. Mr. Winkler: If I may speak to that, I think I can understand very clearly what the hon. member is saying. We simply took this course because we thought it was proper in the light of the procedure for today, and there is no prohibition against it.

Mr. M. Shulman (High Park): It is definitely not proper.

Mr. Singer: May I address myself to the point of order?

Mr. Deans: In a moment.

Mr. Speaker, we've had a lot of difficulty over the last two or three years with this very matter. We had a debate in the House over the procedures of the House, relating to unanimous consent and the procedure of a bill through the House through a number of stages in the same sitting.

I don't know where the government gets off producing two order papers for the same sitting of the same day. I am not at all sure that the government is in a position to bring forward two order papers for the same sitting.

Mr. Lewis: That's right.

Mr. Bullbrook: It didn't have to do it anyway.

Mr. Deans: There was one order paper already provided today showing today's business. What was required was that the House leader simply ask for the unanimous consent of the House in order to proceed with this legislation. I don't think the government has the power to alter the order paper once the order paper is in the process of being dealt with.

Mr. J. A. Renwick (Riverdale): It is just ridiculous for the government to have this kind of procedure.

Mr. Bullbrook: It didn't have to do it.

Mr. Renwick: It just caused itself immense trouble.

Mr. Singer: I think this manoeuvre—and I call it deliberately a manoeuvre—is an arrant abuse of the privileges of this House. I think, sir, it is too cute by half. I think someone is trying to play games with us. Even though there is nothing in the rule book that says this cannot be done, this kind of procedure, if accepted by you, sir, would allow the government to change the orders of the day at any time during any sitting of the House; to order anything it wants; to get around the rule that was deliberately and conscientiously and logically put there, which allows for delay in the event we do not have a bill before us. I think the people responsible for it should be highly condemned.

Mr. R. F. Nixon: It should be withdrawn.

Mr. W. Ferrier (Cochrane South): Withdraw it.

Mr. Singer: It is quite obvious from the remarks of the leader of the House that he was one of the connivers; and that this order paper should be withdrawn and that we should resort to the original order paper.

It is fascinating to note, Mr. Speaker, on the way by, that Bill 119 is listed on this new order paper and a second bill, shown as Bill 120, introduced by the House leader, is shown—that's the one to amend the Legislative Assembly Act—but further, fascinatingly, it does not indicate any reference to the bill introduced by my leader in priority to the bill, which should be there.

Mr. R. F. Nixon: It should have been there.

Mr. Singer: Yes, it should have been there. I say, sir, that is an arrant abuse of the procedures and privileges of this House—

Interjections by hon. members.

Mr. Speaker: Order.

Mr. Singer: You should order, sir, that this order paper so-called, the phoney 77(a), should be withdrawn now and we should revert to 77.

Mr. Bullbrook: Right. The minister has the wrong number on Bill 120. There is no 120.

Mr. Singer: Why he does it, I don't know.

Mr. Lewis: I want to speak to the point of order—

Mr. Singer: The government can do anything it wants and get away with it.

Mr. Speaker: Order, please. The hon. member for Downsview has had his opportunity. The hon. member for Scarborough West has the floor.

Mr. Lewis: I simply urge you, Mr. Speaker, to indicate your displeasure with this kind of process because this is what destroys the possibility of the orderly conduct of business in this House.

We went to considerable lengths to allow this debate to take place, given the immense differences of opinion. I think the Premier will acknowledge that when we discussed it with him yesterday, it was in the context of avoiding a hassle over unanimous consent that we asked for the hour interval. There was an effort to facilitate the House and to have the work done and I really think that using this kind of method again poisons the atmosphere of the Legislature totally

unnecessarily. I urge you, Mr. Speaker, to indicate that it has no favour with you and that you would wish that order paper be withdrawn.

Mr. Bullbrook: If I may, Mr. Speaker, if you will permit me to speak to the point of order—the essential ingredient of putting before us 77(a) as a new order paper is a prejudgement and a predisposition on the part of the government House leader that unanimous consent would not be given. All he has to do, of course, is look at the rules, which he should be abundantly knowledgeable about as House leader. The sad trauma we fact is that he is not, and that's the fact of the matter. The rule clearly says that except by unanimous consent of the House no bill shall be read the second time until it has been printed and distributed and so marked on the orders of the day thus printed.

Hon. Mr. Grossman: Meanwhile, back to the business.

Mr. Bullbrook: Now the fact of the matter is my House leader attempted to elicit from him a yes or no, a simple answer, if he was moving under that particular section and we were going to go to second reading on the assumption the government would be given unanimous consent. He was given a gentlemen's agreement. Mr. Speaker, by the House leaders and whips.

Mr. R. F. Nixon: But he sat around and sat around.

Hon. Mr. Bullbrook: What he said in effect, Mr. Speaker, was, "I have been given your gentlemen's agreement but I don't trust you. So I am going to surreptitiously"—because that's the way it was done—"take away 77 and I'm going to put in 77(a)."

I join the other members who have addressed you on this point in asking you not to permit this precedent. We have little enough control over our own destiny except for your good graces, and I ask you, sir, not to permit this type of subversion of the rules of the House.

Mr. E. M. Havrot (Timiskaming): Get on with the bill.

Mr. Speaker: The hon. member for High Park.

Mr. Shulman: Mr. Speaker, if I may speak briefly to this point of order, and I am directing my remarks through you to the Premier, this of course is completely unnecessary. He knew he was going to get unanimous consent.

But what really disturbs me is that this is the fourth incident of this type this year and this has all happened since we've had this House leader. I suggest to you, sir, and through you to the Premier, for goodness sakes find some other use for his talents. He's disturbing and destroying everything.

Mr. Cassidy: There is no use for his talents.

Mr. Lewis: The Premier could make him a commissioner of the TTC. He would fit right in.

Mr. Speaker: Order please. I don't think this should develop into a full-scale debate.

Mr. Singer: It is that important.

Mr. Bullbrook: It is important.

Mr. Singer: It is the most important discussion of the privileges of this House that has ever taken place.

Mr. Breithaupt: It is an interesting thing to me that we are attempting, in the midst of a programme that would hopefully resolve a labour-management dispute, to bring into the Legislature the rush hour that we haven't seen in Toronto for these past several weeks. Certainly in the last hour the House leader or his minions have been rushing around opening all the order books, putting the order paper 77 in them and putting order paper 77(a) on our desks.

Hon. Mr. Grossman: They are not his minions.

Mr. Breithaupt: I think it is rather interesting that in coming back to the House after the hour adjournment, we had this order paper before us. I think it was only by circumstance that we happened to note that there was a letter (a) behind 77. Then, of course, in opening the order paper we find that there was at least some presumption that in fact Bill 119 would receive the first reading that had been sought by the government.

Mr. Singer: Marvellous printers to work that fast.

Mr. Breithaupt: To go ahead then and print Bill 120—

Hon. Mr. Davis: If they hadn't there wouldn't be any order paper.

Mr. Breithaupt: There would be an order paper.

Mr. Singer: There was an order paper 77.

Mr. Breithaupt: We had an order paper, as the Premier is well aware.

Mr. Speaker: Order, order.

Mr. Breithaupt: The interesting thing to us, further, is that we have—

Mr. Singer: A bunch of baloney.

Mr. Breithaupt: —unfortunately, set out as item 17 on this order paper an incorrect reference, namely Bill 121, as it should be an Act to amend the Legislative Assembly Act. I think, unfortunately, the matter is just—

Mr. Singer: Did the Premier know about that?

Mr. Breithaupt: —a little bit too cute, as the member for Downsview has said. It is unfortunate, when we have the rule available to us and when we have an acknowledgement of unanimous consent to deal with this most serious problem, that the government has not chosen to accept that approach, but rather has gone a further step in order to attempt to subvert what are the intentions of the House.

Now I agree, Mr. Speaker, there is no rule that says it can't be done. That is true. But surely the approach that has been taken within this Legislature has been not to attempt a foolish ploy like this, which simply embarrasses us all. Not only you, sir, especially, but those of us who have at least some minor responsibilities in the mechanics of the operation of the House.

Hon. Mr. Grossman: He looks embarrassed.

Mr. Breithaupt: It is certainly not a happy way to go into this most serious debate that we are now going to enter. The problems are serious enough and difficult enough in their resolution. To have done it this way, I believe has been most unfortunate.

Hon. Mr. Winkler: Mr. Speaker, I think I must make some short reply, without accepting any of the criticism. Because of the fact that it was a bill that required Her Honour's consent, we felt it was absolutely necessary to follow the course that I followed, and accordingly the officials—

Mr. Singer: Baloney!

Hon. Mr. Winkler: The member may think it's baloney, but I say that it was necessary. He had his say. He should take his seat.

Interjections by hon. members.

Mr. Speaker: Order please.

Hon. Mr. Winkler: In regard to the numbering of the bills, I might say I'm sure that the Leader of the Opposition knows it is a private member's bill and I think maybe he would be a little grateful for the fact that we are bringing this forward the way we are despite the numbering sequence.

Interjections by hon. members.

Mr. Singer: We are not grateful to the minister. If the government would run the province according to the democratic process we would be grateful.

Mr. Speaker: Order, please.

Hon. Mr. Winkler: Mr. Speaker, I am willing to make the proposal, despite the charade that has gone on, if the members of the opposition are prepared to give unanimous consent—

Interjections by hon. members.

Hon. Mr. Winkler: If they are, Mr. Speaker, I am—

Interjections by hon. members.

An hon. member: He can forget it. He is compounding his stupidity.

Mr. Speaker: Order, please.

Interjections by hon. members.

Mr. Shulman: My God, he is inept.

Hon. Mr. Winkler: Mr. Speaker.

Mr. Singer: It is corrupt.

Mr. Speaker: Order, please. Order.

Interjections by hon. members.

Mr. Singer: It is the most corrupt thing that has been done in this Legislature.

Hon. Mr. Winkler: The member for Downsview really should be made to withdraw those words.

Mr. Singer: When the minister withdraws his actions.

Hon. Mr. Winkler: The member for Downsview should really withdraw those words.

Mr. Singer: Let him withdraw his actions, and the word "charade". I will withdraw then.

Hon. Mr. Winkler: Well, I guess the word stands. I am willing to propose to the House, Mr. Speaker, that we withdraw order paper 77(a) if we have consent to proceed.

Some hon. members: No, never.

Mr. R. F. Nixon: He can't do anything right. He is hiding behind the skirts of Her Honour.

Mr. Speaker: Order, please. Perhaps the hon. members would let me attempt to resolve the situation. I can hardly wait to hear what I am going to say.

Mr. Shulman: There is a new order paper. Call the question period.

Mr. Speaker: First of all, our standing orders do indicate that the order paper must include the bill marked printed. Now the one distinction I find in this particular situation is that we did not recess, we adjourned.

Mr. Shulman: Right.

Mr. Speaker: We adjourned. Therefore, it seems to me there is no rule prohibiting the printing of an order paper for a reconvened session after an adjournment. In other words, I can find no prohibition in the rules on preparing this order paper. My other order paper has disappeared; it is the only one I have.

Interjections by hon. members.

Mr. Deans: You can start with the orders of the day.

Mr. Shulman: Orders of the day.

Mr. Speaker: This may or may not be so. Let me say that it was my feeling, my belief, rightly or wrongly, that by implication the hon. members had given their consent.

Mr. Singer: How can one give it until it is asked?

Mr. Speaker: Perhaps the hon. members will just be quiet for a moment and I will try to explain. It seems to me that when the Premier—

Mr. Cassidy: Don't line yourself up with that buffoon of a House leader.

Mr. Speaker: Order, please. When the Premier gave his few remarks after the introduction of the bill, by way of the procedural programme he had in mind, he did indicate that it was the intention to adjourn for an hour and that we would return after that time and proceed with second reading.

This is what my recollection is without having looked up my own copy of the instant Hansard. That being the case, I believe that is, by implication, agreement of the House to proceed with second reading.

Mr. Singer: No. You yourself said you would ask for unanimous consent of the House.

Mr. Speaker: All right; it's implied. In the absence of any contradiction or any negation of the suggestion.

That's all I can say. It seemed to me there was agreement that we would proceed with second reading. As far as I am concerned, again there's no reason, nothing whatsoever in the rules, which says we can't produce this order paper. Therefore, I have to accept the order paper as being proper. I can find no reason whatever for rejecting the order paper as suggested by the hon. members who have spoken.

Mr. Shulman: Don't you have to call the orders of the day?

Mr. Speaker: No, this was attended to earlier. This is my ruling in connection with this point of order. I so rule that the order paper is in order.

Mr. R. F. Nixon: Mr. Speaker, if I might be permitted to respond on a point of order. The House leader indicated he was prepared to withdraw it. Unfortunately, he couldn't even do that right; he said he would withdraw it if we were prepared to give unanimous consent. Surely he is going to arrange the affairs so that Mr. Speaker is not going to be put in the untenable position he finds himself in now? If he accepts order paper 77(a), if he accepts it without the House leader's intervention, obviously it is going to have to be challenged because he is going to use this procedure again and again.

Obviously we want to get on with this bill, but we cannot allow this to hang over our heads. I am saying to the House leader he should withdraw and if he did so we could proceed.

Mr. Bullbrook: Mr. Speaker, may I say to you sir, that I don't want for one moment to have you infer that my comments take issue with your ruling. I want to say to you, that I have to challenge. May I say to you that I have to challenge because of this: If we are now to be bound by this rule that the government, at its whim, can substitute order papers, it means of course that the rules and our standing orders are for nought, because why do we have in our standing orders that we cannot proceed on the same day to the second order of business without unanimous consent. It makes a charade, a true charade, of that particular standing order.

The fact is, therefore, that I, as one member, am going to challenge the ruling and I implore, through the Speaker, the House leader to withdraw that order paper. He knows that he is going to get unanimous consent. Let us proceed in the proper order of business and let us not have a rule established by a Speaker in this Legislature that makes a true charade of the standing orders.

Mr. R. F. Nixon: It's up to the House leader now.

Hon. Mr. Davis: Mr. Speaker, may I try to resolve this situation? I say with respect that we're as interested in pursuing the rules as anyone and in that there is a feeling that the assent of Her Honour will be required, hopefully sometime today, it would be appropriate, I gather, to have an order paper to outline this. If the members opposite are concerned about it, I don't say that it's academic, we are quite prepared, as the House leader said, to have order paper—I guess it's 77—on the very distinct understanding, and I gathered from the question of the House leader opposite—

Mr. R. Haggerty (Welland South): The Premier is putting the guillotine to our heads.

Hon. Mr. Davis: Listen, I listened very quietly to members opposite, perhaps they might give us the courtesy of listening over there.

I think it is fair to assume that the question on the point of order raised by the member for Sarnia could have cast some doubt as to whether or not there is unanimous consent. I indicated very clearly in my observations that I had had a discussion with the Leader of the Opposition and a discussion with the leader of the New Democratic Party where we had agreed upon the procedures. The member for Downsview and the member for Sarnia professed they knew nothing about it. I would say that this had been arrived at. The questions asked prior to this were totally unnecessary and irrelevant. Mr. Speaker, I am not sure whether this is possible or not, but we're quite prepared to proceed on the basis of order paper 77 if I can have the understanding—

Mr. Singer: No understanding.

Interjections by hon. members.

Hon. Mr. Davis: I think, in fairness, Mr. Speaker—

Interjections by hon. members.

Mr. Speaker: Order.

Hon. Mr. Davis: Let me finish. It is understood, and very clearly understood, because this is an important issue, a very important issue, as it relates to 2½ million people in this community, that this bill proceed. If I can feel confident, Mr. Speaker, as Premier, that my conversations with the two leaders of the opposition parties will be honoured by their colleagues—and I tell you the questions prior indicated there maybe wasn't an awareness of this; not from the NDP but from the official opposition—that is the case, I am more than prepared to go with order paper 77 or 97 or what have you.

Mr. Breithaupt: Let's try that.

Hon. Mr. Davis: My interest is getting this bill through so that the public of this province know that we're here to protect them.

Mr. Renwick: That isn't the Premier's interest or he would never allow this to happen.

Mr. R. F. Nixon: We're prepared to go on 77. Let's do it.

Mr. Singer: As long as it's not conditional.

Hon. Mr. Davis: What does the hon. member for Downsview mean? Doesn't he want the strike to end?

Interjections by hon. members.

Mr. Speaker: If I understand the situation correctly, the Premier has indicated that he is prepared to proceed on the basis of order paper 77 and that—

Mr. Bullbrook: That's right.

Mr. Speaker: —at this moment it's in order to call second reading of bill number whatever it is.

Mr. Shulman: Mr. Speaker, on a point of order, we cannot proceed without you asking for unanimous consent and you still haven't done it.

Mr. Speaker: I believed that I had that consent.

Mr. Shulman: Well, we didn't hear it then.

Mr. Singer: That was before adjournment was called.

An hon. member: This is still the same session.

Mr. Speaker: I ask the hon. members if my understanding was accurate, that the hon. Premier said he would proceed on the basis of order paper 77 and that we would proceed with the second reading of the bill. The hon. members said "yes."

Mr. R. F. Nixon: It was agreed. Let's do so.

Interjections by hon. members.

TORONTO TRANSIT COMMISSION LABOUR DISPUTES SETTLEMENT ACT

Hon. Mr. MacBeth moves second reading of Bill 119, The Toronto Transit Commission Labour Disputes Settlement Act, 1974.

Interjections by hon. members.

Mr. Speaker: The hon. Leader of the Opposition.

Mr. R. F. Nixon (Leader of the Opposition): Since the procedure of the House is to deal exclusively with this bill, unless the Premier (Mr. Davis) sees fit to proceed to second reading as well of the bill introduced by his colleague, an amendment to the Election Act, then it is certainly important that we do not delay in our deliberations.

The Minister of Labour (Mr. MacBeth) and the Premier have both said that it is unfortunate that the bill is before the House; and it is unfortunate indeed, because once again the collective bargaining procedures are being circumvented. We in this party are prepared to support the principle of the bill for reasons that I will put to you, sir.

I do not agree with the Premier that the main reason is because of the unfortunate elderly and the ill who cannot travel around town. Certainly that is unfortunate. But he knows and I know the pressure for settlement comes from the hundreds of thousands of people who are right now stuck in the traffic jams—

Hon. W. G. Davis (Premier): On a point of order, I am sure the hon. member for Brant listened to and read what I said. I referred to a number of problems and I did highlight the problem of the senior citizens, but to suggest that is the only problem is just totally incorrect.

Mr. R. F. Nixon: If I might respond to the hon. memer for Peel, I find it typically Davis, pure Davis—

Hon. Mr. Davis: Peel North.

Mr. R. F. Nixon: —when he weeps the tears for the halt and the sick and the blind. We are all concerned with him, because the real reason is that we have to get the transportation in this city going again and we have had just about all the crocodile tears from him that we can stand. There have been 600,000 people, Mr. Speaker—

Mr. S. Lewis (Scarborough West): It is hard to believe that they are both agreed—

Mr. I. Deans (Wentworth): This is going to be a very uncomfortable bed.

Mr. Lewis: I am glad they are voting together.

Mr. R. F. Nixon: Well, get up on another point of order, if the member wants—

Mr. V. M. Singer (Downsview): The Premier was priding himself on listening a little while ago. Why doesn't he listen now?

Interjections by hon. members.

Mr. Speaker: Order, please. Can we return to the principle of this bill, please?

Mr. R. F. Nixon: Yes, Mr. Speaker; and the principle of the bill is designed to serve the people in this city who have been denied access to a working transit system. We are here in the session this afternoon to accomplish something that is unpalatable to everybody here but which in fact in my view is in the interests of the citizens of the city.

The Premier refers to them as the millions, I refer to them specifically as the 600,000 who use the facility on a daily basis. They have been denied this for 19 days and we have been concerned that the negotiations have not been handled adequately by the Toronto Transit Commission. This is speci-

fically what I wanted to talk about at the beginning of my remarks.

Yor know, for a person who is not involved in the negotiations—and they must be extremely trying indeed—certain impressions come forward.

Mr. Moynehan is not known to me personally. He has been effective indeed as the leader of this important group of workers in this city. But look at his position: that at the end of the line is not the necessity in fact to settle the strike but to realize that the imposition is not on him but on the members of this House, and I suppose the Premier and the cabinet of Ontario, to enforce a disposition of the negotiations finally.

Look at Mr. Mallette and the chairman of Metropolitan Toronto, who have been probably the main spokesmen for the TTC. Certainly, Mr. Speaker, it is great politics for any one of them to say: "Yes sir, we are the custodians of the public purse. We will hold the line against these grasping labourers, we are not going to raise the rates for—"

Interjections by hon. members.

Mr. R. F. Nixon: That is what he is saying.

They did not intend to settle from the very start. They knew very well they did not have to accept their responsibilities, that they could be dumped into this Legislature, and by the imposition of compulsory arbitration they could be dismissed of their responsibilities.

I resent this as a member of the Legislature: I resent that all of these decisions from across the province have to be put into this chamber.

Now look, we know the history and the traditions of these negotiations. The transit union put forward their demands—and they were honest enough to call them that, 144 or 148 of them—about April 23, well in advance of the end of the contract. Everybody knew the date, June 30.

There was, of course, some mediation, some conciliation; but in fact the officials of the TTC did not sit down with the union effectively. They did not offer a concrete alternative, they did not make an offer, until July 17; really just a few weeks, in fact a few days, before the negotiations had to be broken off and the strike was imposed upon this town.

Now we are concerned about good faith bargaining. It seems to be that the chairman of the TTC and the chairman of Metropolitan Toronto could assure us, if they had the right to speak in this chamber, of their good faith. They could assure us they were acting in the best interests of their constituents, the people who would have to pay the bills for any increase in the TTC costs. But what they failed to consider was the interests of the broader constituency, those people who were denied access to the transit system, because they were unable to reach any kind of an agreement—and in fact did not intend to, in my opinion, from the very start—and were prepared to put it in our laps.

Now you know, Mr. Speaker, the chairman of Metropolitan Toronto, independent and powerful politician though he is, apparently has an open line to the Premier's office. I don't think he has to worry very much about "Uncle John" MacBeth, the Minister of Labour, when he can phone the Premier himself and keep in close tab with him.

What about compulsory arbitration? Will the coffers of the treasury of the province be opened up, as they were a few months ago to the tune of $33 million, if in fact the negotiations go this way? Is the government of the province prepared to bear this burden? We don't know whether the questions were asked or if answers were given, but we do know there is this political connection; which concerns us very deeply here because it has to do—

Hon. A. Grossman (Provincial Secretary for Resources Development): Well I am glad—

Mr. R. F. Nixon: Does the Provincial Secretary want to get up on that one? Go ahead.

Hon. Mr. Grossman: I am glad the chairman of Metropolitan Toronto has access to the Premier of this province, why shouldn't he?

Mr. Speaker: Order.

Mr. R. F. Nixon: Paul Godfrey, working Tory, has access to his leader, who is also the Premier; and in my opinion this has led to negotiations which cannot be said to have been carried on in good faith, and that's what we are talking about right now.

Hon. Mr. Grossman: This is no time to be placing blame on anyone.

Mr. R. F. Nixon: Yes, sure. All right, we will expect to hear these comments later, because in my view the members of the TTC did not conduct themselves in any way that would indicate they expected a negotiated settlement.

We have used the word charade in this House already. If there was ever a charade,

that was it. They were going through the motions. There was a facade of discussions; and here it is in the Legislature for a long, warm afternoon and evening—and perhaps even morning, although I do not intend, sir, to inflict my remarks unduly on you, but just perhaps for another hour and a half.

So I feel this strongly about this matter.

Mr. J. F. Foulds (Port Arthur): Then vote against the bill.

Mr. M. C. Germa (Sudbury): Vote both ways at once.

Mr. R. F. Nixon: I don't think, Mr. Speaker, that our vote here this afternoon is going to have anything to do with the conduct of the commissioners of the TTC. It is going to have everything to do with getting transit going again in this city, and that is why we are prepared to support the principle of the bill.

Now let me say this, Mr. Speaker, that I believe the Ministry of Labour, at the first opportunity, should investigate the course of these negotiations. Somehow we are going to have to develop a procedure whereby that famous phrase "good faith" is going to be determined, judicially as well as judiciously, so that in the future those on either side who cannot prove that they have undertaken the negotiations in good faith are going to be punished and it's not going to be so easy to shirk responsibility.

The Minister of Labour introduced the bill. It is interesting to know his role in this, because his staff certainly have been praised by everyone I've heard of in connection with it—Mr. Dickie, well known to everyone who has read the history of negotiations in this province; Mr. Speranzini, I have seen his picture in the paper, I haven't met him, but apparently although the conciliation procedures and the procedures that he undertook—not conciliation; mediation — were certainly well received on all sides, they were unsuccessful. The name of George Markovich was mentioned; I happen to know the gentleman. As far as I know, they did their work abundantly well.

But we are here to criticize the Minister of Labour in this connection—a man with whom we've had some differences of opinion in the past. I suppose it is easy for the opposition members to call on the minister to insert himself, his ability and his authority into the negotiations before they get to the point of acrimony, or the distance between the two sides is such that agreement becomes impossible.

I was interested to see in the news Sunday, Aug. 25, the Minister of Labour went down at 11:20, spoke to the two sides briefly, left because there was nothing he could do. I have the feeling that our Minister of Labour is not exactly the shirt-sleeved table pounder that was needed to make an impression on Messrs. Moynehan, Mallette and Godfrey. I have a feeling that there might have been a certain gentlemanly aspect, which is much respected in this House on occasion, but which for a Minister of Labour who stands on the boundaries between enforcing through his ability—not necessarily power, but ability —meaningful negotiations and allowing the thing to blow up so that it ends up in the Legislature, caused this minister to be found wanting.

I think it's a serious thing indeed, because we face many of these circumstances in the future. Maybe we need John Munro, maybe we need our friend from Montreal—

Interjections by hon. members.

Mr. R. F. Nixon: —maybe we need Bryce Mackasey. Both of those guys, as the members know, were elected with heavy majorities. Maybe those are the people who know how to talk to the working man and to the managers so they make sense and so that in fact it's going to be something other than just some sort of a fiasco leading to the imposition of these powers.

So I am concerned that we have not had bargaining in good faith, that I think there has been a waste of time in the weeks and months leading to this situation, and that it is unfortunate in the extreme that our labour laws, our regulations, the power of the minister himself and after that the power of the Premier, were not sufficient to achieve a reasonable understanding on the two sides that could have avoided the situation here in the House this afternoon and this evening —the imposition of provincial power in this unfortunate way.

I suppose by the passage of this bill, we will—and it is much to be hoped that there is no doubt about this—we will get the transit running without delay. Of course we have read the reports from the spokesman of the union and some individuals saying that they'll have to make up their mind whether they are going to obey this order or not.

Mr. Singer: Unanimous consent.

Mr. R. F. Nixon: We have heard these responses in the past when the power of parliament and the power of the Legislature was used in this connection. I think it is un-

fortunate that there is even the possibility that it not be obeyed, because the alternative is anarchy, which simply is inadmissible.

But we have a tremendous responsibility in this regard, because the legislation has to be such that a moderate-thinking citizen can obey the law; that there is no way that legislation should be brought forward which is going to force whole classes of people into a rejection of a statute passed by a democratically constituted parliament. So there is a responsibility on both sides.

It is much too easy for us to say every citizen must obey the law and we will require that that be so. I don't know whether we would have a sufficient police force to collect the fines or enforce a law that a whole class of people simply refused to obey. We've gotten close to this in other circumstances in the last few months; that's why the bill must have been drawn carefully. The 12 per cent increase, retroactive to the end of the contract, at least was an indication that the government is more sensitive in these matters than the TTC, which kept saying to the workers: "Your raise will commence at the time you enter a new contract and not be retroactive." Isn't that right?

Mr. Lewis: That is absolutely right.

Mr. R. F. Nixon: Well what's the Premier shaking his head about and squinting? I thought that was correct. Isn't he aware of those facts? I thought everybody was aware of those facts.

It seems, Mr. Speaker, that this bill, with its retroactive clause and the fact that the sections in the negotiations that have already been agreed upon are not going to be put before the arbitrator, should make for an acceptable package to the members of the union who are conscious of their duty as citizens.

What we are doing this afternoon is buying time. We are settling a strike in a way that does not appeal to anyone here, but it means that there is at least some time before the next one is thrown into our laps. I am told that on Sept. 2, 2,000 non-medical workers in 10 northern hospitals intend to strike. What are we going to do about that if, in fact, there is a protracted strike? I am told that on Sept. 5, the Kitchener transit system will come to a halt because of a strike very similar to the one that has struck the transit system here. It may be, with great respect to the hon. members from that area, that the impact on the government of Ontario will be somewhat less than the strike in Toronto.

Mr. Lewis: As in Hamilton.

Mr. R. F. Nixon: Hamilton is another case. When it is right on your doorsteps you will respond, but when it is out in another city you seem to be able to stand it for a longer period of time. The thing that must concern us all is that the Civil Service Association of Ontario, which as we know is taking a very militant, a very proper stand in many respects, is going to come to the end of its contract with the Province of Ontario at the end of this year, Dec. 31. What are we going to do about that, just in case our friend, the House leader, is as successful as we would expect him to be with those negotiations? You see, it appears to many people here that the labour laws in this province, particularly those dealing with the public sector, are completely inadequate and that it is up to us, I suppose with all the partisan ingredients we can muster, to come up with some sort of an alternative.

I am not saying an alternative to collective bargaining. I don't believe that in a democratic society there really is one. I am saying an alternative to affect the character of the bargaining in such a way that without goodwill it is meaningless. It is put for us here in the Legislature to use the power, the undoubted power, of the government.

Hon. Mr. Grossman: Now just what did he say? What is that formula?

Mr. R. F. Nixon: All right, I don't know and obviously the minister doesn't because he is making such a mess of his responsibility at the present tme.

Mr. J. E. Bullbrook (Sarnia): By the way, what are his responsibilities?

Mr. Singer: He is the minister in charge of order papers.

Mr. R. F. Nixon: But I will tell him this, I doubt very much if the answer is going to spring fullblown from the brow of the Premier or the Minister of Labour or even the policy secretary, who attends every now and then and interjects.

Interjection by an hon. member.

Mr. R. F. Nixon: We do have this, we do have a Legislature of democratically elected people who have a commitment to the betterment of the community and, so help me, to

the improvement of the labour laws in this province; but why can't we sit down in something other than in the shouting and hollering in this chamber, representatives from all parties, with representatives from those unions in the public sector who have been affected, as they are being affected today and will be affected in the future, and buy whatever peace time we have got until the next great big explosion and assess all of the alternatives in as effective and non-partisan way we can. I have argued this with my friend from Sarnia.

Hon. Mr. Grossman: The member hasn't said a thing. A lot of words, but he hasn't said a thing.

Mr. R. F. Nixon: Oh, yes, I have, my friend. Oh yes, I have.

Mr. Singer: The minister just doesn't understand. That's the problem.

Mr. R. F. Nixon: Because there's an alternative. Maybe we should look for a Justice Rand or somebody like that, and say: "Okay judge, you come up with the answers for us." We don't want to give the problem to an individual who is going to look forward to a lengthy series of negotiations or a lengthy series of deliberations and who will throw a weighty tome on our desks and we will have to respond to that, but we are elected for this purpose.

We had the responsibilities tumbled on us with short notice this afternoon. Let's use what time we have before the next occasion to assess the alternatives which have been discussed by individuals in this House.

I think it is something we are going to have to come to grips with because the present situation is not good enough. Collective bargaining is the best but what happens, in the public interest, when it obviously is not working, or at least is not working well enough? That is surely what faces us and what we must work with as members of this House.

I say I do not reject for a moment the undoubted power of the Legislature and, at the judgement of individuals, the responsibility to act when it is necessary. But let us, as members, regulate and require honest negotiation between principals at a community level rather than having the decisions thoroughly and frequently centralized here at Queen's Park.

Mr. Speaker, it is with regret that I tell you we will support the principle of the bill. We feel it is an indication of the inefficiencies of bargaining in this instance, particularly by the TTC. We also feel it is an indication of the inadequacies of the present laws of this province. We can criticize the TTC, and there are those on the other side who may very well defend it, but we must accept collective responsibility for the inadequacy of our law.

Hon. J. White (Treasurer and Minister of Intergovernmental Affairs): A poor, miserable, weak speech.

Mr. R. F. Nixon: Oh, the Treasurer's back, is he?

Mr. Speaker: The member for Scarborough West.

Mr. Lewis: Thank you. I might never have mustered that support had the minister not interjected.

Hon. Mr. White: Both gutless and witless; that's quite a combination.

Mr. R. F. Nixon: His chief function is to spend money. Is he $800 million over this year?

Hon. Mr. White: Witless—like other Liberal policies.

Mr. R. F. Nixon: An $850 million deficit.

Mr. Speaker: Order.

Mr. P. J. Yakabuski (Renfrew South): What about the federal government? What about its economy? What has it done about it?

Mr. Lewis: Mr. Speaker, using some arguments which are parallel to those advanced by the Leader of the Opposition and some additional arguments, I hope, it will interest the Premier to know that we are driven to a rather different and irresistible conclusion and that is that the principle of the bill is not supportable. He expects that of us but we are not opposing it in this instance in any traditional or ritual garb which he wants to put on the New Democratic Party.

Mr. L. Maeck (Parry Sound): Has the member found a new reason?

Mr. Lewis: We are opposing it, Mr. Speaker, for a series of arguments which I want to make, which all of us would like to make; first, about the collective bargaining process; second, about essential and non-essential services; and third about what might be called the Premier and public transit. On that basis—

Hon. Mr. White: I'll be back.

Mr. Lewis: I am sure the minister will be back, for that if nothing else; and I invite him.

Mr. Speaker, I want to go further. I want to say we know the public is not particularly happy about opposition to a bill of this kind.

Mr. J. M. Turner (Peterborough): That's an understatement.

Mr. Lewis: It probably is an understatement; it probably is. We are probably not currying immediate favour but I want to tell the Minister of Labour, through you Mr. Speaker, that we are simply not going to be party to a piece of legislation which is so destructive of labour relations in the Province of Ontario. It just can't be done.

As a matter of fact, I want to point out to you, Mr. Speaker—

Mr. E. R. Good (Waterloo North): There was double-talk on CFRB yesterday by the hon. member.

Mr. Lewis: That this is the fourth time in something like 12 or 14 months that we have had the issue of compulsory arbitration raised in Queen's Park. We had it with the elevator workers; we had it with the teachers; we have had it with the hospital workers; we now have it with the transit workers. Compulsory arbitration is becoming endemic to this government. The government is relying more and more upon compulsory arbitration and, Mr. Speaker, it is going to destroy the collective bargaining process.

As a matter of fact, this is one of the things which most concern us. I am going to make very specific suggestions. I don't want to make comparisons which are invidious but if this government continues on the route which it has predetermined, it is going to reduce labour relations in Ontario to what is now being experienced in the Province of Quebec. That is absolutely unnecessary and if the Premier of Ontario is as purblind—if I can use the phrase of my colleague, the member for Lakeshore (Mr. Lawlor)—as Robert Bourassa in the way he deals with working people, then the government is going to have in Ontario the consequences that they are now experiencing in the Province of Quebec and this bill is a long way down that road.

Mr. Speaker, you know, there has to be an alternative, which everyone is talking about and seeking in this House; there has to be an alternative. I want to say, as simplistic as it may sound, that there is no alternative to something called "good faith bargaining," and it is the one thing in the Province of Ontario that we have not had for as many years as I can remember.

I may say that final offer selection is one of those gimmicks which are attractive from time to time but not widely applicable, as experience has shown. Compulsory arbitration never leads anywhere that is socially useful. But good faith bargaining is absolutely central to the collective bargaining process, and the refusal of this government to enforce the provision—I think it is section 12 of the Ontario Labour Relations Act—called "bargaining in good faith" is what is at the root of this labour dispute.

We had an alternative, you know; we have discussed some of them; we had so many alternatives in this instance that one can hardly enumerate them all. The government has chosen this course, the most perverse of all. Maybe it will help the Premier to rehabilitate his public presence in Metropolitan Toronto to be seen as strong and resourceful in the time of adversity, and maybe he decided on that course three weeks ago for political motives, I don't know.

Hon. Mr. Davis: The member has got to be kidding.

Mr. Lewis: I don't know, I wonder about it.

Hon. Mr. Davis: I am telling the member —no.

Mr. Lewis: Because I too was privy to the collective bargaining process and I cannot understand how it was allowed to disintegrate with good faith left on the ash heap.

Mr. Speaker, a few weeks ago, I guess it was only a couple of weeks ago, I was with the Leader of the Opposition at an annual meeting of the Federation of Women Teachers in Ontario. I may say, of course, the Minister of Education (Mr. Wells) wasn't there—

Mr. J. R. Breithaupt (Kitchener): Ah ha!

Mr. Lewis: —not wishing to hazard political debate on that occasion. And after that meeting was over, which fortuitously was held in the Royal York Hotel, I went over to the union headquarters in the hotel and asked to meet with some of the members of the negotiating committee and the executive board to chat with them about the nature of the strike.

I must say that I didn't know very much about the Amalgamated Transit Union at the time; I had had no more experience with them, I suppose, than most people in this House have had with them on previous occasions. I sat down with them that evening and I went over the progress of the negotiation in the previous three or four days, and I'm telling you, Mr. Speaker, as I stand here, that the TTC stalled those talks on trifles and irrelevancies that border on disbelief. They did it absolutely deliberately. And they did it on minute and inconsequential items.

Every time their industrial relations director, a fellow called King, was faced with some kind of decision, he had to run back downtown to get word from his superiors. They couldn't even bring a duplicating machine into the Royal York in order to run off agreements that had been entered into in the course of the negotiating process, while the union had their entire apparatus with them in the hope that one item after another could be resolved.

I went immediately back to the office the next morning, phoned a member of the Metro council and said: "Surely Commissioner Godfrey wouldn't put up with this if he knew it"—oh, boy, was I naive—"wouldn't put up with it if he knew it and would you kindly call him and tell him that there is a deliberate attempt here to destroy the bargaining process?" I had the impression that the word got through, but I guess perhaps I was profoundly wrong.

I point out to you, Mr. Speaker, that it took four months and three days of negotiation before the Toronto Transit Commission was willing to grant to 300 workers the right to have a pocket for a screwdriver in their uniform at a total cost of $15. Now, you ask me what I consider to be bad faith bargaining. In a symbolic way I consider it to be that; I consider that to be bad faith bargaining. And if the government thinks that it can have decent labour relations between a union of 5,700 employees and a Toronto Transit Commission that behaves in that fashion, then it is absurd.

I want to say something else, Mr. Speaker. I believe that the Minister of Labour knew and the Premier knew. Mr. Speranzini was the mediator of that dispute. I've not even met the man but everything I've heard from the union, everything I've heard from the journalists covering it, everything I've heard from some of those in management—not all of them I may say—suggests that Mr. Speranzini was as honourable an arbitrator, a mediator, as one could have found. If that is the case, as I believe it to be, word of what was happening was getting back to his superiors and through his superiors to the Minister of Labour; and those people over there who represent the government of Ontario, who pretend to defend the public interest, weren't doing a blessed thing about it.

Those negotiations continued for several days on the 142 items in question. With the company moving reluctantly or not at all, stonewalling every step of the way, it was all Leonard Moynehan could do to hold his bargaining committee together because they quite likely wondered why they should be reduced to this kind of endless frustration and humiliation by a company that didn't want to settle in the first place.

Then came the corker. I want to tell the House again what we consider to be a violation of good-faith bargaining. Last weekend, when the crunch period arrived, I phoned the negotiating group of the union and said: "You've allowed me to be privy to some of your conversations. I would like to sit in on the finale, if finale it's going to be. Can I come and spend some time with you while the offers and the crunch issues are being discussed?" They said: "All right."

I sat and I listened to them through the day on Sunday when the major issues were being discussed. I want to tell you something, Mr. Speaker. I've dealt with trade unions in a negotiating process before. They're not all angelic. They can be dogmatic and inflexible, too. I understand that. But this was quite an unusual executive board. This was an executive board of a union that wanted a settlement. They wanted it badly.

They were ready to be flexible and everything that came their way was the most needless, thoughtless provocation it's possible to put. At 2 o'clock on Sunday morning the company finally made the major contractual offer. If members want an example of what I consider to be—what we in the New Democratic Party consider to be—classic bad-faith bargaining let me give it to them. I hold the proposal from the commission before me.

This is what they offered on wages, Mr. Speaker. They offered three increases over 24 months. The first increase averages 12 per cent. I ask you to listen to the wording. Eight months later a second increase averaging five per cent, not compounded. Eight months later an increase averaging six per cent, not compounded.

Through you, Mr. Speaker, to the Premier and to the Minister of Labour, not com-

pounded is offensive enough because every trade unionist understands the ploy there; but fair enough, maybe that's a negotiating point. But I wonder if the use of the word "averages" is fully appreciated? What the commission said to the union is: "After 4½ months of bargaining you've been out on strike for two weeks. We're making this wage offer to you but it's an average wage offer. In other words, we, the management, will determine what we give to any particular category of workers."

Mr. E. W. Martel (Sudbury East): Isn't that wonderful?

Mr. Lewis: Moynehan said to the management: "You mean I go to a meeting of my workers for ratification of a settlement and I say to them: 'You've got an average increase of 23 per cent over two years.' Somebody in operator class 2 stands and says: 'What does that mean to me?' And I'm supposed to say to him: 'I don't know. The company hasn't determined yet how much you will get'."

Can members imagine a union being put in that position? Do the Tories over there know of any contract in Ontario which gives to management the right to divide a percentage increase among the various classifications of workers? Do they know of such a contract? Can they imagine the absurdity of management coming to a group of workers after they've been on strike for two weeks and been bargaining for more than four months and putting that kind of proposition to them?

The minister talks to me about good faith! Where was the Minister of Labour? Where was the Minister of Labour?

Mr. Martel: He was cutting wood.

Mr. Lewis: That's such needless provocation. It is just saying to the workers we don't intend to settle.

Let me tell you what else they did, Mr. Speaker. On the cost of living, which was central to the workers, they came to them and they said: "We'll give you a cost of living increase of such and such a number of cents per increase in the cost of living, based on a unit increase of 190."

That's a little complicated, but the base is Toronto 1971 at 155 and it rises to 190. What the company was doing in the offer was saying: "We will set the levels so high that in the life of the contract it will not be possible for you, as workers, to receive an increase in the cost of living."

Now, is the minister talking to me about good faith? I've never seen good faith violated in that fashion. You might make an offer to the workers which offers a little more or a little less above the cost of living, but you don't offer them a cost of living allowance which you know will not be possible of incorporation in the lifetime of the agreement.

Then, if I may refresh the Premier's memory, which lapsed momentarily when it was drawn to his attention by the leader of the Liberal Party, it says at the end of the offer, "from date of settlement for two years". You see, everybody in the world knew, except the Toronto Transit Commission, that they were talking about a contract that had expired on June 30. This bill is retroactive to July 1. Everyone in his right mind knew that the contract would be retroactive until July 1.

Mr. Singer: Only 12 per cent though.

Mr. Lewis: But a combination of the commissioners and Mr. King, and sheer, unmitigated perversity at the 11th hour, had them make an offer to the union which was shot through with bad faith of a kind which only Tories can countenance.

Now, you see that doesn't have to happen, Mr. Speaker. We can, within the Ontario Labour Relations Act, give to the Ontario Labour Relations Board or to the Minister of Labour, or I would even hazard giving it to mediators in a situation of this kind, the right to say to the parties: "This is not good faith bargaining, this is destructive bargaining. This is bargaining which asks for a breakdown, which invites chaos; and therefore, we are ordering you back to the bargaining table and we insist that you make an offer in good faith."

If the government enforces the good-faith bargaining clause of the Ontario Labour Relations Act this would never happen. It would simply never happen.

Naturally, that kind of offer having been made on Sunday, nothing was left.

Again, I continue to be naive. I even phoned the chairman of Metropolitan Toronto directly on Sunday night, initially through an intermediary, and said to him—I don't think it is wrong to say it now; at the time it was an off the record discussion, but it's all over now. I said to him: "This is a union that wants to settle; all you have to do is make some accommodation on one or two or three of the major issues. Why are you being absolutely inflexible about it? The whole thing is unnecessary. I sat with them, Chair-

man Godfrey, I think I know them, they are not unreasonable people?"

As a matter of fact, the chairman, to his credit, mentioned to me a couple of devices which sounded very intelligent on the phone. And I thought to myself, maybe it will lead to a settlement.

But the offers were never made. That Sunday night, the Minister of Labour appeared at the Royal York Hotel and negotiations were broken off. And from that day to this I can't understand it. That's why I say I believe that compulsory arbitration is a deliberate manufacture for reasons that—well I suppose they are political; but they really are short-sighted, because you are predetermining very bad feeling in labour relations generally.

I don't have to take swipes at Karl Mallette and company, the world is visiting enough on them already; and let me say they deserve it. But I do want to point out to you, that since the new chairman of the TTC assumed his post we've been going downhill week after week, and the relationships between the union and the management have never been worse. This bill isn't going to help it at all, because if I may say, the government is not moving in to protect the public interest, it is moving in to protect the interest of the Toronto Transit Commission and the metropolitan chairman.

Hon. Mr. Grossman: That's silly.

Mr. Lewis: No, I don't think it is silly, because if the government were interested in the public interest it would never have permitted this strike to take place at all. It would have moved a month ago. This isn't a non-partisan bill in its sense; this is a bill which says: "We have supported the commission throughout and will continue to support them now, and we will embody what pleases them but displeases the workers in legislation." And the government is very, very slow to feel for the public interest. It took it three weeks and four months before it felt for the public interest.

Now I don't believe that government should intervene unduly in labour disputes, obviously not. I understand that proposition, but there is a point at which government makes non-intervention a curse rather than a principle, and its refusal to intervene at the point of explicit bad faith is where all of the members opposite went wrong. At that point it has a social obligation to intervene. It chose to neglect that obligation. So it comes in with its jackboots for compulsory arbitration.

Mr. Speaker, may I say something else? In the middle of the week the Premier made a proposal. As he said, it was a mechanism to achieve a settlement rather than a sweetening of the pot for either side. The Premier and I disagree on this fairly fundamentally. I don't think that proposal ever had a chance. I know it never had a chance. But I do want to say to the Premier, Mr. Speaker, that if that proposal had been made one month ago, before the strike began, then even though I may irritate a number of the workers, let me say that I think that it might have been accepted.

What the government did was to allow the psychological feeling to move to the extent where it was impossible to get agreement to his kind of terms delivered in that kind of way. No matter what happened afterward, the unfortunate events or not, as one who would have wished privately that the proposal were accepted, because I don't like compulsory arbitration as an alternative, I must say to the Premier that the proposal was simply too late.

I will tell you what wasn't too late, Mr. Speaker. The resolution of the city of Toronto wasn't too late. The resolution endorsed unanimously on the six-point programme of the city of Toronto wasn't too late. If the Premier had said, "You fellows in the union, you meet over there at the Broom and Stone as you intend, and you wait there for a while, and you go back into negotiation in the morning [yesterday morning] on the basis of David Crombie's proposal," he would have had a settlement by yesterday afternoon. With a lot of good feeling it would have been ratified and the public transit system would be beginning to be moving even now as we are debating this legislation. Again he chose not to accept the basis for settlement and again he made a deliberate choice to go the compulsory arbitration route.

I want to say to the Premier and the Minister of Labour, Mr. Speaker, that those of us in the New Democratic Party wish to sound a warning. The leader of the official opposition mentioned it to them; I will mention it to them too. They have got 19 hospitals right now up in arms over the nature of the collective bargaining process; they have got telegrams on their desks from the Sudbury region, from Stratford, from Georgetown and from Hamilton. They have the possibility that on Monday morning the hospital workers in Sudbury will walk out in defiance of the law and they have the very real possibility that on Tuesday or Wednesday the

Hamilton workers will walk out in defiance of the law.

Can I remind them that before there was compulsory arbitration in the hospital sector there were virtually no strikes at all? It is only after compulsory arbitration in the hospital sector that we now have near chaos in certain areas of hospital jurisdiction in Ontario.

Mr. Martel: And in the civil service.

Mr. Lewis: May I remind the government as well that it managed to foist upon the teachers a degree of direct action which is unprecedented because of their reaction to its compulsory arbitration proposal? May I remind the government that it is doing the same with the transit workers? May I remind it of the extraordinary radicalization, if I can put it that way, of the civil service association in the last number of months, as they feel themselves trapped by the Crown Employees Collective Bargaining Act?

You see, in the name of what appears to be a momentary public favour, the government is wrecking collective bargaining in Ontario. It is just destroying it. Sure, it will curry favour with two million people today and maybe it will curry favour with them at the polls in 1975; I don't know, I am not a clairvoyant.

But the day is going to catch up with those people over there. They are inviting systematic breakdown. They are turning reasonable people into angry people who feel their rights are denied and their objects are frustrated; and for what? To satisfy some arbitrariness on the part of government rather than reinforcing the collective bargaining process?

The government had every alternative available to it. It isn't as though this was the only alternative. Don't face us with a bill which does such essential damage to collective bargaining.

We talk a lot about labour relations in the Province of Ontario. We talk about 95 or 96 per cent of the contracts being renegotiated without going to a strike but we have said before in this House—and this is the time to say it again—that the test of a government on labour relations lies in what it does with the other four per cent. The Minister of Labour should be haunted by what's happening in the hospitals; by that pathetic piece of elementary injustice which is taking place in Fort Frances where a little union is being destroyed—while the Minister of Labour sits back—by a group of doctors who thumb their noses at the law and the Act with impunity. Ask my colleague from Wentworth about the Firestone strike in Hamilton which has been going on for months now.

Mr. Deans: Seven months.

Mr. Lewis: Let the government understand what it is doing to labour relations in Ontario. It is going to catch up with the Tories. They have gone too far and this bill goes too far because they are using a stratagem which is unnecessary, which serves a squalid political purpose in the short term and a highly destructive social purpose in the long term.

Mr. Speaker, the whole aspect of what is being done in this dispute also raises the question of essential services. I want to speak to that for a moment.

My colleague from Riverdale has been calling me and others of us in the caucus in the last couple of days and has been putting an argument so elementary but so compelling that I want to put it again in this House now. If these services are so bloody essential, why doesn't the government pay the workers the best possible wages? How is it that in the non-essential services we pay such good wages but in the essential services we have lousy working conditions and not such good wages —whether it is hospital workers or janitors attached to the outside workers' union in the city of Toronto or, indeed, many of the transit union people themselves?

If the Tories have such feeling for essential services, if they feel so strongly about essential services that they take away the right to strike, that they bring the Legislature back at the end of August to force through compulsory arbitration, then remove it. Remove the necessity. Pay them decent wages. Pay them parity with Vancouver, Edmonton and Ottawa. Give them the kind of credibility in the public sector or the essential service sector that they deserve.

I know the Tories have difficulty with the public sector. I know they are all not very friendly to the public sector. That doesn't mean they penalize civil servants. That doesn't mean they penalize hospital workers. That doesn't mean they penalize transit workers. If the essential services are so important to them, pay them more than the private sector.

Let me give members an analogy which touches the Premier's view of the world, which I am going to come to in a moment, about the public transit system. A tool and

die-maker at the General Motors plant at an average level of income—a skilled job equivalent in rating to an operator in the transit commission with the same kind of social responsibility attached to it—in September of this year will be making $7.27 an hour. In the public sector, transit workers at this point—the wage group which was central to the bargaining, category 6 of the operators—were making $5.63 an hour. After the 12 per cent retroactive increase it will be roughly $6.20 an hour, so they are earning $1 an hour less for what we regard as an essential service.

Mr. L. M. Reilly (Eglinton): There is no comparison.

Mr. Lewis: There is a certain comparison.

Mr. Reilly: There is no comparison.

Mr. Lewis: Yes there is. I will tell the member why and I will come right to one of the final points I want to make, because this is the government which stopped Spadina in 1971. This is the government which talks such rhetoric and with such passion.

Hon. Mr. Davis: Rhetoric? Doesn't the member know what that word means?

Mr. Lewis: I know what rhetoric means and I have listened to the Premier's rhetoric as well. That's right.

Interjection by an hon. member.

Mr. Lewis: No, I am not. I am giving it to him as we feel it.

Hon. Mr. Davis: I will listen.

Mr. Lewis: The Premier talked heavily over the last three years about public transit and he has talked about moving from the private automobile to the use of public transit. But he still makes sure that his employees, who are central to public transit in the life of this province, earn significantly less than those who work in the private automobile sector.

Hon. Mr. Davis: They are not our employees.

Mr. Lewis: That's right. And the government allowed the imbalance to continue. I think, and many of us in this caucus think, that one of the reasons why this strike went on is because of the government's ambivalence about public transit. The Premier has captured the rhetoric of it. Sure, I understand that. He stopped Spadina, but what has he done in the interim?

Mr. Deans: Nothing.

Hon. Mr. Grossman: Oh what rot. What an imagination.

Mr. Lewis: And if he feels for public transit then why doesn't he move in and allow for good-faith collective bargaining before a strike occurs which throttles a city of two million people?

Hon. Mr. Davis: Which cheek does the member have his tongue in this time?

Mr. Lewis: If the Premier really believes in public transit how does he sit back and watch it happen? But he doesn't believe in public transit. All he believes in is something called Krauss-Maffei—

Hon. Mr. Davis: The member doesn't really believe what he is saying?

Hon. Mr. Grossman: He is laughing at himself inside.

Mr. Lewis: —for which he will pay $25 million or $26 million or $30 million; but to pay another $6 million or $7 million, which is all it would have taken to achieve a settlement, to the workers who allow his public transit system to function, that he would deny.

The strength of the Premier's public transit system doesn't live in some supernatural gimmick called Krauss-Maffei. It lives in the capacity of the present system to function well, and the Premier has allowed it to grind down.

And frankly, Chairman Godfrey and Chairman Mallette, suburban, automobile commuters, also don't understand the meaning of public transit. Psychologically they don't understand it either. Karl Mallette was a supporter of the Scarborough Expressway until not very many months ago.

And that's another part of the government's problem; while all of them are speaking of public transit, none of them are willing to do anything to assure that it is absolutely defended against the kind of perverse collective bargaining experience that the last four months and three weeks have indicated, none at all.

Hon. Mr. Grossman: The government has given millions towards it.

Mr. Lewis: Sure, the government has given millions to hardware, to some of the capital

costs, to the 50 per cent subsidy of operating costs; but when it means allowing a public transit system to serve two million people without breakdown then the government has no more money to give, and that for us is a measure of its commitment.

Hon. Mr. Davis: The member must have information that I don't have about what money there is or is not.

Mr. Lewis: I may say that the only information I have is in the inflationary increases that Krauss-Maffei have already cost the Province of Ontario and for that inflationary increase the government could have settled the strike.

Hon. Mr. Davis: There has been no discussion with this province about such—

Mr. Deans: But there should have been.

Hon. Mr. Davis: No.

Mr. Deans: That's the problem; there should have been.

Mr. Speaker: Order please.

Mr. Lewis: Public transit is very much a provincial matter, and whether the government is going to face it in St. Catharines in a few weeks time, as I gather is the case, whether it is going to face it in Kitchener-Waterloo in a couple of weeks time, or less as I gather is the case, in a few days I guess, the government is simply going to have to do something about its commitment to public transit other than to see the system break down.

All we are saying, Mr. Speaker, is that this bill was necessary in the government's mind because it would not allow bargaining in good faith or it wouldn't enforce bargaining in good faith. The government has no feeling for what it describes as an essential service and when the chips are down it is still not sure about its commitment to public transit.

We oppose it, therefore, because the legislation isn't necessary. We oppose it, therefore, because the government is inviting acrimony and disputes between the workers and the commission over the next two years. It is inviting it by this legislation and it should not have been.

We are opposing it because it destroys labour relations in Ontario. We are opposing it because it is politically motivated rather than socially desirable, had the government wished to use the alternatives. Sure there has been three weeks of staggering inconvenience to the people of Metropolitan Toronto, and for that reason we would have wished the strike had never taken place. This legislation is not the act of a government rescuing the public. This legislation is the act of government rescuing itself from several months of public negligence; the government can't expect us to support that kind of legislation. It had every alternative at hand.

Mr. Speaker, to simply close it, let me say that as a party we have said to the transit workers before, and I say it now, that when the Act becomes law it should be obeyed, because it is a law—a bad law, not a good law, but it is a law—and I am not particularly interested in seeing or in encouraging civil disobedience in the Province of Ontario and I hope it won't take place. I hope, as a matter of fact, Mr. Speaker, that the transit workers are sufficiently worked up about what the government is doing to them that they will provide it with reciprocity approximately one year from now in a fashion which is rather more effective, by bringing this government to an end—

Mr. O. F. Villeneuve (Glengarry): That is why the member is speaking very well.

Mr. Lewis: —that they will join a great many others—

Hon. Mr. Grossman: That is a great way for the member to set out his position.

Mr. Lewis: Yes, I understand; divine law; they rule forever over there. Nobody dares intrude.

Interjections by hon. members.

Mr. Lewis: Well, all things come to an end, good or bad, and this government is doing a remarkably artful job of undermining its own position. This bill aside, that is the case. This bill included, that case is emphasized.

I know the bill is going through; I know we will have to live with it; I hope it is observed; I know it will choke in the craw of many of the workers, but it strikes me that they will probably observe it. In that sense, Mr. Speaker, let me end by saying to the Premier, the workers involved, by observing the legislation, have a far greater commitment to public responsibility and to public transit than his government has shown for the past four months and three weeks.

Mr. Speaker: The hon. member for Downsview.

Mr. Singer: Mr. Speaker, at the commencement of my remarks I did want to say a word about the shabby and stupid trick the government tried to use at the beginning of this debate, the playing about with the order paper—

Hon. Mr. Grossman: The member is out of order.

Mr. E. M. Havrot (Timiskaming): Grow up.

Mr. Speaker: The hon. member is out of order. I would ask him to stay with the principle of this bill.

Mr. Singer: This is within the principle of the bill, Mr. Speaker; it is within the principle of the legislative privileges that we have, and it is—

Hon. Mr. Davis: The member always tries to—

Mr. Singer: Oh, I thought the member for Peel North was the listener and he didn't heckle. He was objecting a little earlier to that. Now I want to tell the House that that shabby and inept trick is typical of the way the government stands aside from responsibility in matters such as this—

Mr. Speaker: Order, please.

Mr. Singer: —particularly, Mr. Speaker, with regard to labour matters.

Mr. Speaker: Order, please. I am going to ask the hon. member to stay to the principle of this bill.

Mrs. M. Campbell (St. George): It's a massive principle that's at stake here.

Mr. Singer: Oh, Mr. Speaker, I was just bringing it back to the principle. I was saying that what the government tried to do in avoiding their legislative responsibility is typical of the principle of this bill, and they are doing exactly the same thing when they bring this bill forward.

Interjections by hon. members.

Mr. Singer: You see, Mr. Speaker, when this attempt is made—and I just don't want anybody to miss it—when this attempt is made it is an indication that the government holds the legislative process in absolute contempt when it tries to circumvent the rules that have been established in order to get its own way with a minimum of debate.

Mr. G. Nixon (Dovercourt): Get on with it.

Mr. Singer: It doesn't want to hear the opinions of the people of Ontario and it doesn't want to hear the opinions of the opposition, so rather than live up to the rules that are in this book, rather than live up to orderly bargaining in labour disputes, it tries shabby, mean and stupid tricks. That is why, Mr. Speaker, these facts have to be emphasized in the course of this debate.

Hon. Mr. Davis: Now talk about the bill.

Mr. Singer: All right, I will. I have got a cartoon here, Mr. Speaker—

Hon. Mr. Davis: That is not talking about the bill.

Mr. Singer: I am going to talk about—oh, I will be around to that, I will be around to that.

Mr. Speaker: Order please.

Mr. Singer: I thought the Premier would like to hear about a cartoon that appeared in the Sun on Tuesday, Aug. 27, 1974. I went looking for the original but I understand the Premier beat me to it; he already has it.

Hon. Mr. Davis: He is a constituent of mine.

Mr. Singer: That's good. It was drawn by a fellow named Donald Owen. I don't think there has been a better expression than this cartoon of what has gone on insofar as this strike is concerned.

Mr. Speaker, in case you haven't seen it, let me tell you what is in this cartoon. There is a picture of a fellow who I guess is supposed to represent the hon. member for Peel North. He looks a little unshaven. I don't recall that the hon. member for Peel North comes in here in need of a shave. He is ripping off his shirt and there is a great big "T" on a crest in the middle of his chest. And he is saying: "This looks like a job for Mr. Transportation Man."

Hon. Mr. Davis: This is so typical of the Liberal Party. They have nothing to offer. Nothing.

Mr. Singer: I'm sorry if this is bothering the member for Peel North, but I am going to say it anyway, Mr. Speaker.

Hon. Mr. Davis: There are a lot of important things to do here.

Mr. Singer: I am glad he listens and he doesn't heckle, I am glad he is so quiet.

Mr. D. C. MacDonald (York South): Relax, it is a lot of sound and fury; he'll support it.

Hon. Mr. Davis: That's right.

Mr. Singer: And then, Mr. Speaker, at the bottom, is: "More powerful than a GO train. Faster than the speeding bus. Able to leap unfinished expressways with a single bound." That describes the approach of the Premier to this particular labour dispute.

Hon. Mr. Davis: That's the member's reference to Spadina; there it is now.

Mr. Singer: Mr. Speaker, let me ask, where has "Mr. Transportation Man" been up to the last few days? Where has his Minister of Labour been up to the last three or four days? It's fascinating to hear now the bleats from Mr. Godfrey and from Mr. Mallette; and from Mr. Crombie the suggestion that came forth a few days ago. But where have those people been for all the four months and 13 days, the period of time that the hon. leader of the NDP was talking about? Where have they been?

Mr. F. Drea (Scarborough Centre): Where has the member for Downsview been?

Mr. Singer: Was it reasonable, Mr. Speaker, to expect that this situation, being allowed to fester, being allowed to develop into a real abscess, was going to be solved by the last-minute intervention of "Mr. Transportation Man"? Of course it wasn't. Surely when we have a Ministry of Labour and a brand new Minister of Labour—and I have great respect for him personally—with capable civil servants, Mr. Dickie, Mr. Speranzini and the others who work with them, surely an inkling must have leaked through to them somewhere along the line that there was trouble in the TTC maybe as early as last January, and somebody at Queen's Park might have felt that there could be serious trouble unless this situation was resolved. Surely, "Mr. Transportation Man" or his new Minister of Labour could have had the initiative to say: "All right. We cannot possibly allow a strike of the transit workers in Metro."

What is Metro? Metro is the core of the province. It has a third of the population, and anybody with a quarter of a brain must have realized the kind of inconvenience, the kind of harm, that a transportation strike would bring to this centre if it was allowed to go on.

Therein lies the fault, Mr. Speaker. Therein lies the negligence. Therein lies the ineptitude of this government. With all of its facilities, with all that it must have known, with unlimited funds and with unlimited ability to research, with unlimited ability to call people into session, they didn't get into action until the last four or five days.

The Premier is the big transportation man. He plans, he stops, he builds. And this is what he has, in fact, created, because neither he nor any of his advisers had enough initiative to get into this thing when the first signs appeared. They just let it fester and they just let the disease spread until finally the boil rose to the top and it exploded and now we have what we have and we are called here to legislate 5,500 people back to work.

Let's think about that for a minute, Mr. Speaker. I would hope—and this view has been expressed earlier—that the members of the union who are affected by this bill will, in fact, go back to work when Her Honour has given consent to this bill sometime later, perhaps today or even tomorrow.

Mr. R. F. Nixon: If she can find it without looking at the order paper.

Mr. Singer: Yes, without looking at order paper 77(a) or (b) or (c), if we have another one.

Hon. Mr. Davis: She will have no trouble.

Mr. Singer: However, I wonder, Mr. Speaker, and I think this is the key question that has to be asked, how long can we create crises and expect that, by the dramatic move of calling the Legislature back to work on a Friday of a holiday wekend, we are going to pull the Premier's chestnuts out of the fire? How long is it going to be that another compulsory arbitration statute is going to work in the Province of Ontario? What is the government going to do if it doesn't work? Is it going to build concentration camps and put 1,000 people in this one and another 1,000 in that and another 1,000 in that until there are 5,500 people in jail? What is it going to do to enforce it if the union says: "We don't think this is a fair bill and we won't go back to work"? How long is it going to be before this union or another one says: "We are not going to listen to the sanctions"? This has been happening.

The hospital workers didn't listen to the government's sanctions. The teachers didn't listen to its sanctions. One of these days, I hope it isn't on Monday or Tuesday, a big union is going to say: "We are not going to

pay attention to that piece of paper which the Legislature turned out at an emergency session."

The remark of a cabinet minister from Quebec the other day when he was asked—

Hon. Mr. Davis: We're hearing a very responsible, helpful approach!

Mr. Singer: I just want to draw this to the attention of the Premier and to make him realize the seriousness of the things he is doing.

Mr. MacDonald: Don't support bills which are going to do that then. Don't be so illogical.

Mr. W. Ferrier (Cochrane South): Is the member for Downsview going to vote for it?

Interjections by hon. members.

Mr. Speaker: Order, please. The member for Downsview has the floor.

Hon. Mr. Davis: Don't be such a hypocrite.

Mr. MacDonald: The Premier is right there.

Mr. Singer: The other day, Mr. Speaker, a cabinet minister in Quebec was asked by a member of the press whether or not it was likely they would pass a compulsory arbitration statute to solve one of their more current labour disputes. That cabinet minister stated: "What is the point? The people who are presently on strike are on strike against an existing statute which prohibits them from going on strike." I hope we don't get to that position in the Province of Ontario where the power and the sanctions of this Legislature in labour matters become meaningless.

Mr. MacDonald: Let the Liberals continue to support bills like this and we'll get there.

Mr. Singer: This is the kind of thing, Mr. Speaker, which causes me very grave concern. I suggest this function today was absolutely unnecessary. Had the government from the beginning realized what was going on—and it had a duty to realize and a responsibility to realize and an opportunity to realize—this strike would never have taken place.

It has been asked by some of the members here on my left why, if I feel this strongly about it and I see all of these dangers, should I support this bill? I'll tell them why I support this bill. I support this bill because as a representative of a riding in Metropolitan Toronto I know what is being done to this community.

Hon. Mr. Grossman: The member for Downsview wants the expressway built.

Mr. Singer: Something has to be done—and hopefully it will work—to help the people in this community and not to hinder them any longer. That's why I'm going to support this bill.

I find it a little difficult to follow some of the remarks of the leader of the NDP. He says there was bad faith. I agree with him on that. He says it never should have happened. I agree with him on that. But he says his party will vote not to order the people back to work. I don't quite follow how he is going to solve the present dilemma in Metropolitan Toronto by voting against the bill. I hope the bill will work. I will vote to support it.

Mr. F. Young (Yorkview): Tell the people to bargain in good faith.

Mr. Singer: I say, Mr. Speaker, that this is a situation brought about by the Premier and his advisers; brought about by his cabinet ministers. He's messed around with transportation in Metro. He's produced no alternatives.

Mr. MacDonald: So the member is going to save it?

Mr. Singer: He has brought this about by his sins of omission and commission. In debating this bill it has to be brought to mind and kept clearly in front—

Hon. Mr. Davis: Is the member for Downsview saying that if Spadina was built there wouldn't be a strike?

Mr. Singer: —that it is the responsibility—

Hon. Mr. Grossman: The expressway would have solved all of it?

An hon. member: Think of the traffic jam.

Mr. Singer: —of the government that this has happened. For goodness sake, let us hope that this bill will have its effect but never let it happen again. That is the responsibility of the people governing Ontario.

Hon. Mr. Davis: There are no Oscars tonight.

Hon. Mr. Grossman: I believe he has won a couple already.

Mr. Speaker: The hon. member for Windsor West.

Mr. E. J. Bounsall (Windsor West): Mr. Speaker, I rise to oppose this bill not because I'm not concerned about the resumption, as soon as possible, of public transportation in the city of Toronto, or indeed the restoration of the Gray Coach busline service to other centres in Ontario, but because it imposes yet again compulsory arbitration in a labour dispute.

The Minister of Labour earlier today, in his companion remarks upon the introduction of the bill, said there were only two other instances of bills of this type before the Legislature in 14 years, but in point of fact there have been four compulsory arbitration bills before us in the last 17 months. In March of 1973 there was the elevator constructors' strike. We had two bills imposing and embodying the principle of compulsory arbitration on workers, involving teachers, one in December and one in February-March. Again now, in August, we have this bill dealing with compulsory arbitration to settle the transit workers' strike.

This is indeed a sorry record. When speaking to the bill on the elevator constructors' strike, I expressed my deep concern at that time on two points—first, that it was the first time in a private dispute that compulsory arbitration had been imposed; but secondly, once you had imposed it, it didn't matter whether it was a private dispute or a dispute involving public workers, it would become easier and easier and easier for the government to see this as the means of solution to labour disputes.

This is indeed what's happened. We have had four now in 17 months; and it is a sorry record of this government that that is what collective bargaining in this province has now become. It gets easier for the government to do it, and each time it does it, it is helping to destroy collective bargaining in this province. It is helping to destroy good-faith bargaining in this province.

Mr. Bullbrook: On a point of order.

Mr. Speaker: Point of order.

Mr. Bullbrook: Do our standing orders provide that you call 6 of the clock?

Mr. J. A. Renwick (Riverdale): Yes.

Mr. Bullbrook: The reason I put it to you is—again the House leader isn't here; we haven't been asked. If the standing orders provide for you to call 6 of the clock, I suggest most respectfully to your high office that you call 6 of the clock or that the House leader advise what we are going to do. It just isn't a one-way street. This is supposed to be a parliament.

Mr. Renwick: That's right.

Mr. Speaker: The hon. member has brought up a point. I am going to ask the member for Windsor West to continue his—

Hon. Mr. White: It is my understanding, Mr. Speaker, we are going to continue this debate through the supper hour.

Mr. Lewis: There was no such agreement.

Mr. Renwick: On a point of order, the rules of the House require—

Hon. Mr. White: I was informed by the House leader that he intended to proceed with this debate right through the supper hour.

Hon. Mr. Grossman: That was announced earlier.

Mr. Renwick: Mr. Speaker, on a point of order, the rules of the House require the House to rise at 6 o'clock. The only way that can be changed is by unanimous consent. I do not intend to give unanimous consent. I ask you to enforce the rules of the House.

Hon. Mr. Grossman: Now we see who is blocking getting the transit running.

Some hon. members: Nobody's blocking.

Hon. Mr. Grossman: They have been talking about little rules and petty rules.

Mr. Speaker: Order, please. The hon. House leader has the floor.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Mr. Speaker, if one will follow the rules very carefully—I have forgotten the number of the rule—but you will note that in order No. 3 the hours of the House are set Monday through Thursday and Friday. There is no prescription for hours after that and we expect that we will sit on.

Hon. Mr. Grossman: They want to nitpick? There they go.

Mr. Speaker: I call on the hon. member for Windsor West to continue.

Mr. MacDonald: Talk about the House being manipulated by the executive. Members should all read the Camp Commission.

Mr. Renwick: Mr. Speaker, on a point of order, before the motion is put with respest to sitting through or whatever the ruling of the House leader has been, because it is not a ruling, there is a requirement in our rules which states that in all contingencies unprovided for—and I suggest that this is a contingency unprovided for—the question shall be decided by the Speaker. And in making his ruling, the Speaker shall base his decision on the usages and precedents of this Legislature and parliamentary tradition.

We have already today had one example of the rules being broken by the Speaker of the House interpreting the rules as saying that in contingencies not provided for he would do what he wanted to do.

Now, let's be clear about it. This is an unprovided for contingency. The House is sitting today as a regular sitting day. The House doesn't usually sit on Fridays. Precedent, usage and everything else require this House to rise at 6 o'clock.

Mr. Breithaupt: Mr. Speaker, perhaps I could speak to this matter. By rule No. 3, if the business of the House is not finished during the week at 6 and there are evening sessions, then as you know, Mr. Speaker, the House does rise until 8. The only reference to Friday I've been able to find is under rule 2(d) which refers to the fact that when the House adiourns on Friday at 1 o'clock it stands adjourned until Monday. I would suggest that the matter should be resolved by the House leader making a motion that we do continue to sit and if that motion carries, of course, the matter can be attended to.

Mr. Lewis: The only way we can do it is by unanimous consent.

Hon. Mr. Winkler: Mr. Speaker, to be governed by the rules, I think you will find also in the rules it says "unless otherwise ordered". It has not been otherwise ordered and the House did sit at 3 o'clock. Despite what the member for Riverdale says there are no provisions for Friday and I anticipate that the House will sit through.

Mr. Lewis: Mr. Speaker, you just—

Hon. Mr. Grossman: No, let the Speaker make his ruling.

Mr. Lewis: What does the minister mean: "Let the Speaker make the ruling"? The government can't run ragged over the House like this; we've got to have some motion for God's sake. Who the hell does the government think it is?

Mr. Bullbrook: The Speaker doesn't need to make a ruling.

Mr. MacDonald: Mr. Speaker, I invite the members on that side of the House to go back and read the Camp commission. It speaks in the most scandalized terms of the fashion in which the whole legislative branch is reduced to something that is a puppet in the hands of the executive. We've had today two or three examples of manipulating and playing games with the rules to do precisely that kind of thing. The government is destroying this Legislature; that's what it's doing.

Hon. Mr. Grossman: Mr. Speaker, it is utter nonsense to suggest that. We came here and members were brought in from all over this province to engage in this very important debate on this very important piece of legislation and to suggest that we in the government—

Mr. Germa: It was important three weeks ago, too.

Hon. Mr. Grossman: —or on this side of the House are attempting to destroy the legislative process when we have to take advantage of every moment we have to debate the bill—

Mr. Renwick: Of course they are.

Mr. R. F. Nixon: That's just bad judgement.

Hon. Mr. Grossman: The opposition is nit-picking away at a very important hour and its members will have to take the responsibility for the terrible display of nit-picking in this fashion. That's utter nonsense.

Mr. Renwick: Don't talk nonsense.

Hon. Mr. Grossman: Everybody came here, Mr. Speaker, on the understanding that we were going to be here as long as is necessary to get this legislation through.

Mr. Speaker: The time is now 6:07 p.m. I rule we are still in session. I call on the member for Windsor West to continue.

Mr. MacDonald: The speaker is just a puppet in the hands of the government.

Mr. Foulds: On a point of order, if I may Mr. Speaker?

Mr. Speaker: A point of order.

Mr. Foulds: A parliament is not run by understandings. A parliament is run by tra-

dition. It is run by its rules. It is run by motions and it is run, Mr. Speaker, on points of order.

Hon. Mr. Grossman: The Speaker has made his ruling.

Mr. MacDonald: The Speaker is a puppet in the government's hands.

Mr. Speaker: Order. Order.

Mr. P. D. Lawlor (Lakeshore): Why didn't the minister have the common courtesy to make it in advance?

Mr. Foulds: Mr. Speaker, I urge you—

An hon. member: He's spoiling for a fight.

Mr. MacDonald: I'll invite the real fight. If he wants to fight on that issue I'll get the whole Camp commission on my side.

Mr. Foulds: I urge you, Mr. Speaker, to make your rulings not on the basis of private understandings with the House leader or innuendos thrown across the floor but in the spirit of the rules of the House. The spirit of the rules of the House is very clear—

Hon. Mr. Grossman: It is exactly what I was talking about.

Mr. Foulds: —that we adjourn at 6 unless unanimous consent has been given.

Mr. Breithaupt: Or on a motion.

Mr. Foulds: Or on a motion. If the House leader was not the buffoon that he is but was on top of his job and had—

Mr. Speaker: Order, please. I'm going to ask the hon. member to withdraw that remark.

Mr. Lawlor: There is nothing wrong with that remark. It is a good parliamentary remark.

Mr. Foulds: Mr. Speaker, I withdraw the remark "buffoon" if the Speaker finds that objectionable.

An hon. member: It is very accurate and descriptive.

Hon. Mr. Grossman: Doesn't the member find it objectionable?

Mr. Lewis: Not at all; I find it temperate.

Mr. Foulds: If the House leader were not the incompetent oaf that he is, he would have—

Mr. Speaker: I am going to ask the member to withdraw that remark also.

Mr. M. Cassidy (Ottawa Centre): The guy's at least a buffoon.

Mr. Foulds: If the House leader were on top of his job—

An hon. member: Delete it. Expletive deleted.

Mr. Foulds: If the House leader were on top of his job he would have provided for this contingency. But as the member for Riverdale had pointed out, the contingency was not provided for. I ask you, I plead with you, to interpret the rules that we do adjourn.

Hon. Mr. Grossman: Why does the member want to adjourn?

Mr. Foulds: I may tell you, Mr. Speaker, that during our caucus discussions this very point came up. I was one of those who came out of the bush in northern Ontario, closing my holiday to get down here for this debate, and I argued, Mr. Speaker, against stopping the debate at 6 o'clock. I said: "Let's give unanimous consent. Let's agree to the motion." But the way this Legislature has been treated this afternoon—

Mr. Speaker: I have listened to the member, but I have already made my ruling that we are still in session, and I am calling on the member for Windsor West to continue his remarks. Does the member for Windsor West wish to continue?

Mr. Bounsall: In the absence of a challenge to your ruling, Mr. Speaker, I will then continue. I was speaking on the fact—

Hon. Mr. Grossman: Sounds like he is continuing regrettably.

Mr. Lewis: He is continuing regrettably.

Mr. Bounsall: Yes.

Mr. Lewis: You know, there is just no such thing as a non-partisan Speaker left in this House.

Mr. Speaker: Order, please.

Mr. Lewis: With all respect, Mr. Speaker, the way you are being used by the government—

Mr. Speaker: Order, please, the member for Wentworth—

Mr. Lewis: —you have made a mockery of the Chair. The minister should put a

motion—that's his job as House leader—and we vote on it and we decide.

The Speaker is no longer a non-partisan person in this House. They are turning the Speaker into a tool of the government. We can't have that.

Mr. Foulds: The government is manipulating this House the way it manpiulated the strike.

Mr. Germa: Resign. Resign.

Mr. Lewis: Mr. Speaker, on a point of order, you should not allow yourself, sir, to be handled that way. The House leader moves a motion, it is voted on, it is passed or denied, and we have legitimate rules. You just can't treat the House this way.

Mr. Speaker: The member for Windsor West has the floor.

Mr. Lewis: Sure the member for Windsor West has the floor, because the incumbent of the Speaker's chair right now, the member for Beaches-Woodbine (Mr. Wardle)—Tory member, partisan, with no respect for the Chair—rules that way. I am tired of it. We sit through it week after week in this place.

Mr. MacDonald: A private deal with the government.

Hon. Mr. Winkler: That's nonsense.

Mr. MacDonald: It is a private deal with the government through which the Speaker's chair has been demeaned in the process.

Interjections by hon. members.

Mr. Speaker: Order please.

Mr. Lewis: It wouldn't happen in Ottawa. At least in Ottawa the Speaker rules in a non-partisan way.

Mr. Speaker: Order please.

Mr. Lawlor: I wonder if the people of Ontario know we have a partisan government.

Mr. Bounsall: Mr. Speaker, the government's record in solving those few disputes, those three or four per cent a year which go to strike and which cause problems, is indeed a sorry one.

Four times in the last 17 months we have seen legislation coming forth embodying compulsory arbitration, compulsory binding arbitration, as the means of settling disputes. I warned at the time of the elevator constructors' strike that this was a precedent in the private sector and I was very concerned about the development of the new style of compulsory arbitration in other disputes. Any time that the government or the editorial writers of our newspapers, or the public, got a little tired of a particular dispute they would call for compulsory arbitration to be imposed and then we would have it; and this appears to be the very regrettable way that labour relations have moved in this province. It destroys the collective bargaining process a little bit more each time it is done and it encourages the destruction of good-faith bargaining, as indeed I think happened in this dispute.

You had the Toronto Transportation Commission and commissioners feeling that if the strike lasted a few days it would be almost inevitable that the government would have to bring in some sort of legislation to end the dispute. And throughout, including the four months prior to the three weeks of the strike, they did not engage, as the record is clear, in good-faith bargaining to reach a solution to this particular labour dispute. The sorry point is that the imposition of compulsory arbitration, leaving aside for the moment the issues and the feelings of the workers involved, does not really solve anything, because the decision that is reached compulsorily by an arbitrator or a board of arbitration is one which neither side particularly has thought through or in essence been finally in agreement with, but it is a situation imposed upon them—under which they must live, in this case for possibly up to two years for the workers involved—and which by its very self, by that very fact has not been arrived at, however reluctantly, by a meeting of the minds of both parties in the bargaining situation.

There not being a meeting of this sort, of the minds, with some explanation capable to be given by both sides as to why they arrived at that particular situation and then going on to solve internally problems which arise from that agreement, they find themselves with a decision imposed upon them, with both sides in many cases living with the frustration of that type of agreement. This is what is so destructive about the imposition of compulsory arbitration, the result of the final decision on both parties that are involved.

Mr. Speaker, the record of opposition of the New Democratic Party over the years has been a good one and a strong one in this respect. Away back in 1960 in the dispute with Ontario Hydro, we opposed at that

time the imposition of compulsory arbitration. Throughout the years we have opposed the general legislation imposing compulsory arbitration that this government has brought in as a means of settling disputes.

I refer to the Hospital Labour Disputes Arbitration Act, on which we have argued, urged, appealed for repeal; and we are seeing the fruits of that very bad legislation in the hospital disputes that are arising around this province. My leader expressed it very well when he pointed out, again I might say, that there had never been strikes in the hospitals in Ontario until this odious Hospital Labour Disputes Act was brought in.

We opposed in this House not very long ago the Crown Employees Bargaining Act, which deprived the civil servants of Ontario of their right to strike, in imposing arbitration as the only means they could have, compulsorily, of settling disputes which they couldn't settle themselves; and its companion bill on the teachers in our community colleges, which has now created so many problems throughout the Province of Ontario.

We opposed right from the start legislation doing the same to teachers in the Province of Ontario in those situations where they had not settled their contract by a certain date. Again, we opposed it with the York county board because of the destruction of labour relations which arise each time you impose it, and the encouragement, in essence, of bad-faith bargaining on the side of at least one of the parties to the dispute.

Indeed, in some sectors they can always count on the fact that they don't have to settle, they don't really have to strive for a meeting of the minds after long hours of bargaining and looking for ways in which a solution might be reached, because they know if they delay long enough the province will come in and impose compulsory arbitration upon them.

This is a sorry situation in the Province of Ontario. It is a sorry record now for this government to have, and I can see in the future, regretfully, an ever-increasing number of disputes in which there is not good-faith bargaining occurring because one side to that dispute can always count upon the government or might be thinking that the government will come in and impose compulsory arbitration for them.

It is for these reasons, Mr. Speaker, that I and my colleagues in this party will be opposing this particular bill.

Mr. Speaker: The member for St. Andrew-St. Patrick.

Hon. Mr. Grossman: Mr. Speaker, I hadn't intended to engage in this debate because, quite frankly, I was of the opinion, as I'm sure most of the members of this House were, that because of the urgent nature of this; and because we have brought members in far distances at great inconvenience to some members who have perhaps taken this period of time for their vacation, at great expense brought them in on both sides—

Mr. R. Gisborn (Hamilton East): It doesn't look like many of them are interested.

Mr. R. F. Nixon: All the minister's buddies have left because they knew he was speaking.

Hon. Mr. Grossman: —both sides, I think, by plane, to get them to engage in this debate; that we would come in here, make a decision for or against this bill, and as quickly and expeditiously as possible because the people outside this Legislature are waiting for a decision one way or the other.

Mr. Renwick: Does the minister mean he didn't want to debate?

Hon. Mr. Grossman: This Legislature is either going to put the transit—

Mr. Renwick: Mr. Speaker, on a point of order.

Mr. Speaker: What is the point of order?

Mr. Renwick: The point of order is that the principle of the bill is under debate and the member for St. Andrew-St. Patrick should adhere to the principle of the bill and debate the bill.

Hon. Mr. Grossman: Talk about nitpicking, Mr. Speaker. That's the kind of nitpicking that's delaying—

Mr. Breithaupt: That's a pretty small nit. It's okay for the minister to do it.

Hon. Mr. Grossman: I am going to talk about the spirit of the rules of this House, the spirit of the rules of a democratic House. I will make sure that there will be as little interference as is possible with the free debate in this House; and because everyone knew why they were coming here, it's the duty of everyone here to make sure that we do everything possible not to delay a decision—

Mr. Renwick: Debate the bill.

Hon. Mr. Grossman: Everyone knew they were coming here for that purpose.

Interjection by an hon. member.

Hon. Mr. Grossman: That had nothing to do with it. The hon. Leader of the Opposition makes some comment about my attendance in this House. I just want to say, any time he wants to compare his record of attendance in this House with mine, I would be very pleased to do so—

Mr. Lewis: Oh no, spare us.

Hon. Mr. Grossman: I doubt if there is any member in this House who can compare—

Mr. Renwick: Does the minister support the TTC's way of bargaining?

Interjections by hon. members.

Mr. R. F. Nixon: Actually my comment was that we haven't heard from his recently. He's here, but he doesn't say anything and he doesn't do anything. It is good to hear him in action.

Hon. Mr. Grossman: Because, Mr. Speaker, I happen to be one of those who don't speak unless they have something to say.

Mr. R. F. Nixon: What portfolio has he got again? Is he still in the cabinet?

Hon. Mr. Grossman: The hon. members opposite haven't anything to say either, but they are saying it.

Mr. Breithaupt: He's the only member left on that side.

Hon. Mr. Grossman: Mr. Speaker, I did interject earlier, but I want to put it on the record so that it will be quite clear. I don't know why the Leader of the Opposition seems to feel there's something sinister about the chairman of a great municipality like Metropolitan Toronto having easy access to the Premier of this great province. I see nothing wrong with that at all. Indeed, I think it would be open to great criticism and condemnation if that were not the case.

As a matter of fact, as far as I can recall, that has been the case with every chairman of Metropolitan Toronto. That's why those fellows are over there; because we pay attention to the people who represent their respective jurisdictions—

Interjection by an hon. member.

Hon. Mr. Grossman: Now, there has been a lot of double-talk from the opposition on this particular subject.

Interjections by hon. members.

Hon. Mr. Grossman: The gist is something along these lines, Mr. Speaker: This sitting today would not have been necessary if one side or the other had bargained in good faith. Incidentally, all of the getting up here and trying to blame one of the two parties—

Mr. Renwick: That's not the gist of it. The gist of it is very clear. It is the failure of the commission to bargain in good faith.

Mr. Lewis: Absolutely.

Hon. Mr. Grossman: —for not having bargained in good faith is no way to send them to arbitration.

Mr. Lewis: Of course it is.

Hon. Mr. Grossman: We are in a position here where, because they haven't been able to come to any responsible agreement—

Mr. Lewis: Because of this government's negligence.

Hon. Mr. Grossman: —because they haven't been able to do that, that we have had to step in. As a matter of fact, the contradiction—and the hon. leader of the NDP knows this perfectly well, because in his quiet moments he's a reasonable man; he knows that what he's saying in fact is that the minister should have intervened a long time ago—

Mr. Lewis: That's right.

Hon. Mr. Grossman: —that when things weren't going so well, he should have intervened. In other words, he says, on the one hand: "Leave the free collective bargaining procedure alone. Don't start interfering with government interference—"

Mr. Renwick: No, he said to intervene to have the law—

Mr. Lewis: On a point of order, Mr. Speaker, I said that the minister intervenes at the point at which his law, which he administers and which requires good-faith bargaining, is abused. That is the point at which he intervenes.

Hon. Mr. Grossman: Of course, Mr. Speaker, at that point—whichever point it would have been at—if the Minister of Labour had intervened in the early stages, the leader of the NDP would have been one of the first—

Mr. Lewis: Not so. I deny that categorically. That's the minister's mythology, not mine. That's his fantasy, not mine.

Hon. Mr. Grossman: —to get up to say: "If you hadn't put your sticky fingers into that thing, there would have been an agreement a long time ago." That's exactly what he would have done. He would have blamed the Minister of Labour.

Mr. Cassidy: Four months without real bargaining. Can the minister defend that?

Hon. Mr. Grossman: They would have blamed him and, therefore, this government for having what they would have called interjected the strong hand of government and precipitated the strike.

Mr. Lewis: The minister doesn't understand. None of the ministers understand.

Hon. Mr. Grossman: That's exactly what they would have done.

Mr. Speaker: Order, please. Allow the hon. member to continue.

Hon. Mr. Grossman: They don't like to hear common sense, Mr. Speaker. It sort of makes them feel inadequate.

It's been a complete contradiction all the way through the piece and that's what makes their arguments so worthless. I'll say the leader of the NDP certainly puts up a shrewd and beautiful piece of elocution. He really does. It sounds great until one dissects the argument and one sees he's going around in circles.

Mr. Lewis: Can I use shrewd and beautiful in my election literature in 1975? Can I print that it was shrewd and beautiful?

Hon. Mr. Grossman: I don't mind.

Mr. Lewis: Would the minister mind if it's taken out of context?

Hon. Mr. Grossman: I wish the member enjoyed my speeches half as much as I enjoy his.

Mr. Lewis: I do enjoy them.

Hon. Mr. Grossman: They're very entertaining.

Mr. Speaker, everyone in this House knows there are hundreds of thousands, millions of people outside this chamber who want this strike settled as quickly as possible.

Mr. Germa: They wanted it three weeks ago.

Hon. Mr. Grossman: They are trying to play all sides. The NDP—I'll give it credit for that—has taken its stand and presumably is going to stick with it and vote against compulsory arbitration. In this case I'll give the members credit for it. They're standing behind their principles. The Liberals, we don't expect much more than what we're getting today anyway.

Mr. Germa: It's expedient for them, that's all.

Hon. Mr. Grossman: That's right. They're going to vote for this because they must know in their hearts, and I'm sure they know, and I'm sure most of the TTC workers are probably anxious to try to get this damn thing over with and make a settlement. Get it over with because they know, as responsible people, they have to keep the transportation system of this great metropolitan area going.

Mr. Bullbrook: The minister sounds like Barry Goldwater.

Hon. Mr. Grossman: They know.

Mr. Bullbrook: In his heart he knows they are right.

Hon. Mr. Grossman: Mr. Speaker, in conclusion let me just say they are not really fooling anybody at all and I want to repeat that particular point. On the one hand they say we're interfering with free collective bargaining, and on the other hand they say we should have interfered with free collective bargaining a lot earlier.

Hon. Mr. Winkler: That's what they said.

Hon. Mr. Grossman: That is patent nonsense. They are trying to blow hot and cold at the same time and they can't do it.

Incidentally, all of this talk about the horrible things which are going to ensue from this sort of bill—of course, the Liberals, if the member for Downsview really speaks for them, if they really believe that, have no right voting for this bill. If they really believe that this bill is going to be another step towards complete violence in this field they shouldn't be voting for it at all.

Hon. Mr. White: Every member in the caucus is on his own.

Hon. Mr. Grossman: Mr. Speaker, I believe the very suggestion of this is giving some encouragement toward violence by some of these people. That's exactly what they're doing.

Mr. Lewis: Right—to the radicals, to the dissenters.

Hon. Mr. Grossman: They're making the people who listen or read get the idea that violence wouldn't be such a terrible thing—

Interjections by hon. members.

Mr. Speaker: Order, please.

Hon. Mr. Grossman: —and it's recognized by some people in this House as possibly a good means toward their ends. I think that's a shabby way to deal with this very important problem that we have before us today.

Again, let me say if we really want to do what we're here to do—that is make a decision one way or the other—if members want to vote against it, let them vote against it, but we should have the vote. Everything that needs to be said has been said, and repeated ad nauseam as a matter of fact.

Mr. Lewis: Let's dispense with the debate.

Mr. Cassidy: Let's dispense with the whole place.

Mr. R. F. Nixon: Just phone it in.

Mr. Lewis: Why doesn't the government do it by order-in-council?

Mr. Breithaupt: Do it by mail, if they like.

Hon. Mr. Grossman: Mr. Speaker, we should take the vote and take a stand one way or the other because the workers involved and the public involved are waiting for that decision to know where they stand.

Mr. Bullbrook: Tell me, is the minister taking a stand now?

Mr. Speaker: The hon. member for York-Forest Hill.

Mr. P. G. Givens (York-Forest Hill): Mr. Speaker, judging from the—

Mr. Drea: Another Liberal Party member's up.

Mr. Breithaupt: At least he is someone who was mayor of the city and who would know something about it.

Mr. Maeck: He solved all the problems when he was mayor.

Mr. Speaker: Order, please. The hon. member has the floor.

Mr. Givens: Judging from the debate which has taken place so far I think it's clearly indicated the hon. members have been brought back from their vacations too soon. The members have been rather irascible and I hope that some of the transit union workers and any members on the negotiating team who are sitting in the galleries have not learned too many lessons today from the conduct of the hon. members in the Legislature as to how to conduct themselves in the negotiating proceedings in which they have been involved. Because if they have been conducting themselves the way we have today it is no wonder they have been stymied for 19 days.

Mr. Bullbrook: Make sure it's the House leader.

Mr. Givens: I think, Mr. Speaker, that perhaps today the members have been sitting in the wrong place to judge the merits of this bill and as to whether or not they should vote for it. They shouldn't have been sitting in this chamber. They should have been sitting on the front steps of this building to watch the tie-up of bumper-to-bumper traffic all the way up and down University Ave. and they would have been in a better frame of mind to determine whether to vote for this bill or not, and this is the way it has been for the past 19 days and 19 nights.

The atmosphere of this legislative chamber, looking at the galleries, is reminiscent of the way the council chamber used to be when I sat on city council when Locals 43 and 79 used to come down—you will remember, Mr. Speaker—which was a more democratic climate than we have here sometimes, for the simple reason that we were closer to the members of the union.

Local 43 represented the outside workers and 79 the inside workers, and when we were conducting negotiations they sat there and they breathed down our necks. We knew them. We used to go to their dances and we used to go to their picnics, and we knew that what we did for Local 43 we would have to do for Local 79; and what we did for 43 and 79 we would have to do for the police and fire people. Everybody else would demand parity, and if you gave somebody a 10 per cent increase you would have to follow the 10 per cent all the way down the line.

People, the workers and the members of the union, weren't simply statistics on a sheet of paper but you could see them, you dealt

with them, you were familiar with them, you were like Dutch uncles to them; and what you did for one you had to do for others.

Consequently, when we are dealing with the question of compulsory arbitration today, we have got to bear in mind that we are putting ourselves in the position that sooner or later we may risk defiance of the kind of obedience that we are trying to extract from any particular union that we are dealing with, and sooner or later we may run into that situation.

We have been indulging in this exercise of trying to ascribe blame on various people. Everybody is judging from newspaper reports or from private conversations that we have had with Karl Mallette or with Paul Godfrey, and the fact of the matter is that it is very difficult to determine how to ascribe blame on various people because these labour negotiations have been carried on in camera in air-conditioned rooms in the Royal York Hotel. These negotiations by their very nature are carried on under a veil and a cloud of secrecy and nobody knows what goes on in these negotiations. Labour doesn't want anybody to know what they are saying and management doesn't want anybody to know what they are saying. The essence of the good negotiator, or a good conciliator, or a good mediator, is that he tells nobody. Even when the press asks him questions, a successful mediator is a person who divulges very little. So how can you determine whether Mallette did a good job or whether Godfrey did a good job.

Mr. Lewis: The member's leader determined it.

Mr. Givens: I agree with the hon. minister from St. Andrew-St. Patrick that it would indeed be a very poor chairman of the metropolitan council who didn't have the ear of the Premier, because without the ear of the Premier he couldn't be a good chairman of the metropolitan council. I think Paul Godfrey on the whole—I say this in public tribute to him—has done a good job. Maybe he has failed in this respect, but in other respects he has done a pretty good job.

Hon. Mr. Winkler: There is a sensible man.

Mr. Drea: How does the Leader of the Opposition's back feel?

Mr. Givens: And I want to tell members this, those who are over there who think they are writing themselves a ticket to freedom by sort of bailing themselves out of this tight situation in this particular strike, there was once upon a time when the Toronto Transportation Commission had to live out of the fare box. It existed and had to be self-sufficient out of the fare box and then it had the absolute responsibility of living out of the fare box and it had to negotiate and it had the complete responsibility. But now, when the government has decided that cities are for people and they are going to get back public transit, this doesn't simply mean that the government can wait until it has its Krauss-Maffei choo-choo trains running in 1990 or the year 2000. The government has bought that now. It has now become the Santa Claus, and that means it has got to back it up now. So the people who are running the TTC say: "We don't have to face that responsibility now. If the TTC workers want a 20 per cent a year raise, which may be inflationary, we will wait to see what the Province of Ontario, Santa Claus, is going to do." This is what the government is facing with the hospitals, this is what it is facing with the teachers, this is what it is facing with transit, this is what it is going to be facing with these 19 hospitals in another few weeks; and it is going to be facing this periodically, week in and week out, month in and month out.

Hon. Mr. Grossman: Did we not give them the money?

Mr. Givens: The government is going to be giving them more money. It is going to be giving them more money and it is going to be doing this habitually. So this is going to be this government's responsibility from now on and its members are going to have to face up to it.

Mr. Bullbrook: Did the minister say: "Of course it is a problem"?

Hon. Mr. Grossman: Sure.

Mr. Givens: He is acknowledging it? All right.

Mr. Bullbrook: That's really indescribable.

An hon. member: Well, he's a policy secretary.

Hon. Mr. Grossman: It is indescribable that you have to describe a problem like that.

An hon. member: That's policy?

Mr. Speaker: Order please.

Mr. Givens: Many of us stand up here and we render lip service to the principle and concept of collective bargaining. Like motherhood, the concept or the process of collective bargaining is regarded as sacrosanct. We say that this is an economic struggle between labour and management, that a strike is a final recourse of labour to get what it wants, and that this is an economic struggle which is supposed to hurt because there is no other way that it could be treated. But we realize the democracy of this concept.

We've had a strike now for 19 days and 19 nights—and I mention the nights because the nights have been a factor, because people have been sitting up all hours of the night negotiating in this strike. This collective bargaining process and the TTC, in this TTC strike, have been suffering from arterio sclerosis and the city is having coronary thrombosis right now, suffering for 19 days.

On one hand you have some 5,700 transit workers and their wives and their families and everything that that implies, and you have a handful of management. On the other hand you have the victims—and who speaks for them, the victims in this strike? Hundreds of thousands of people have been inconvenienced; and I'm not just talking about inconvenience which means that they have had to hitch a ride or drive their car or take their bicycle out of the garage or send Johnny down in the neighbour's car or something like that. Millions of dollars have been wasted, millions of dollars have been lost in wages—and here again I'm not talking about the big stores like Eaton's or Simpsons or the plazas or the downtown stores, but the small people with small wages.

Hon. Mr. Grossman: The small merchants.

Mr. Givens: People who are charwomen, who are domestics, who are nurses; people who have been trapped in hospitals and haven't been able to come home because they haven't been able to get domestic help or housekeeping help to come into their houses, people who come with public transit. People have been trapped in this way.

For people with small jobs, who is going to replace their salaries and their wages that they've lost? Who is going to make their pay retroactive that they've lost over the past three weeks? Offices and factories have been stymied and disrupted. I know in our factory we had people who have been unable to report for their jobs both in the office and the factory, and production is completely down. This will never be replaced and this will never be replenished and this will never be fixed up. It has just been awlul.

It has just been a paralysis. If Toronto had been attacked by an enemy force, the paralysis couldn't be any worse than it is right now. During the day, both in the morning and at night there has been this bumper-to-bumper traffic where it has taken an hour and three-quarters or two hours to travel to work in the morning—and these have been the lucky people who have been inconvenienced. Medical and dental appointments have been cancelled. Mr. Speaker, nobody has mentioned this yet, on Tuesday, the day after Labour Day—

Mr. Cassidy: I have been away for 19 days and the city is still here.

An hon. member: Don't forget the Exhibition.

Mr. Givens: The Exhibition has been busted by this strike.

Mr. Lewis: It has like the devil, come on.

Mr. Givens: Well, it has not been the great success it could have been. I didn't even mention it, but since the member for Scarborough West brings it up, I mentioned it.

Mr. Lewis: I brought it up?

Mr. Givens: On Tuesday the kids go back to school—

An hon. member: Aw, mother will provide.

Mr. Lewis: A little violin music.

An hon. member: We'll be shedding real tears.

Mr. Givens: —and thousands of the little ones will be pushed out into the streets.

Mr. Lewis: A little schmaltzy right now.

Mr. Givens: Well, Mr. Speaker, havoc and pandemonium will reign supreme.

Mr. Lewis: "Havoc and pandemonium"?

Mr. Speaker: Order please, the member for York-Forest Hill has the floor and I know he is trying to get to the principle of the bill at this moment.

Hon. Mr. Grossman: He is doing a good job too.

Mr. Givens: Mr. Speaker, in light of these circumstances—which may be facetious to some, funny to other people—under these cir-

cumstances I really don't think that for those who are responsible and who are representative of the public who have suffered in Toronto, regardless of where the merits of the case may lie, that this strike can continue along its present course. It has to be ended.

As far as the two main issues are concerned, the union has asked for a 40 per cent increase over two years. Of course, this would be clearly inflationary if we speak in terms of a 20 per cent increase every year for everybody—which means transit workers and all other workers, because parity will be demanded by all the workers in the public sector in every field.

An hon. member: What's wrong with that?

Mr. Givens: It would be clearly inflationary and it would mean runaway inflation in the entire country. Obviously the increase will not be 20 per cent. Some compromise will have to be reached there.

Mr. Cassidy: Doesn't the member understand the bargaining process?

Mr. Givens: So far as the split shift is concerned, here again it will require compromise. One of the characteristics for years in the transportation business has been that there is this split shift business; there is a peak in the morning and there is a peak at night. It is like being a bartender. If you are a bartender you work at night and if you are a dance band musician you work at night. And if you don't work a split shift, there will have to be some compromise. But surely members are not suggesting that the strike can go on another 19 days until a compromise is worked out, which is going to satisfy everybody?

Mr. Lewis: No.

Mr. Cassidy: We are suggesting there should have been some bargaining about this.

Mr. Lewis: We are suggesting a negotiated settlement.

Mr. Cassidy: There has been no effort by the TTC to bargain.

Mr. Givens: But they have been negotiating for 19 days and it has failed.

Let me say one more thing in closing, Mr. Speaker. It is automatically accepted, particularly by the hon. members on the left, that compulsory arbitration is always ipso facto—they facto on everything else and ab initio—anti-labour.

Mr. Lewis: Usually.

Mr. Givens: I have read many settlements where compulsory arbitration settlements have been very pro-labour.

Mr. Lewis: If the member means the findings of the arbitrator, sure, I agree.

Mr. Givens: I remember a garbage collectors' settlement in Metropolitan Toronto where the garbage collectors were given a hell of a lot more by the arbitrator, Judge Reville, than they even asked for, which is highly inflationary.

Mr. Lewis: That's right, but why take the chance?

Mr. Givens: It may be that the arbitrator in this case will give the workers much more, so that the government is taking as much of a risk and we will be paying for it here in the Province of Ontario.

Mr. Young: The principle is wrong.

Hon. Mr. Grossman: The principle is wrong, but how would it be resolved?

Mr. Lewis: For that reason, he sends everything to compulsory arbitration.

Mr. Givens: No, I am not saying send everything. The fact of the matter is that you had the strike, there have been the 19 days of negotiation. For whatever the reason or whatever the blame or whatever the recriminations, it has failed. It has not achieved anything in 19 days.

Mr. Lewis: But you have to make it work and this isn't the way.

Hon. Mr. Grossman: The member for Scarborough West always says that.

Mr. Givens: Well, it hasn't worked. All right, I am not going to argue with the hon. member. I am satisfied that the people who have been involved in the negotiations did the best, to the best of their ability; and if they didn't the truth will come out, it always does. We will see what compulsory arbitration will result in.

I'll tell you this, Mr. Speaker, if we were to leave here tonight and not vote for this bill as it is presented in every respect—maybe we could amend it in a couple of little details; I have in mind a couple of things, I think some other members of my caucus have a couple of details in mind—but if we were to leave here tonight without passing this bill I think the public would have every right to excoriate and curse us if we didn't end the strike this evening.

Mr. Speaker: The hon. member for Riverdale.

Mr. Renwick: Mr. Speaker, I want to speak just briefly on the principle of the bill. There is no need for me to repeat the arguments that have been made by the leader of this party with respect to the reasons why this party is opposed to the bill. He stated it in a way that the record has made perfectly clear and it doesn't need the misinterpretations of the member for St. Andrew-St. Patrick—

Hon. Mr. Grossman: How would the member misinterpret it?

Mr. Renwick: —to restate it in his particular myopic and misunderstood view of the collective bargaining process.

Hon. Mr. Grossman: I must have struck a chord there.

Mr. Renwick: I think there are two or three things that do need to be emphasized and there is one commitment that I believe that the government has to make to this House for the people of the Metropolitan Toronto area—that the passage of this bill will not result in fare increases on the public transit system in the city of Toronto during the time of this collective bargaining.

Hon. Mr. Grossman: That has nothing to do with the principle of this bill.

Mr. Renwick: During the time when the collective agreements which will result from the arbitrator's award are in force, the city is entitled and the people who use the public transit system, of which I happen to be one, are entitled as a result of the difficulties of the last 19 days, to have that assurance and to have it categorically.

I don't pretend to understand all of the financial methods that are used in order to finance the public transit system, but as I understand the programmes enunciated by the Treasurer in his pamphlet setting out the assistance that's granted to various municipalities by the provincial government with respect to their programmes, it is clear that the government of the municipality of Metropolitan Toronto and the government of the Province of Ontario each bear 50 per cent of the operating deficit of the transit system.

I also understood, when the additional $33 million was made available to the Toronto Transit system a short time ago, that there was a commitment made that during the year 1974 there would be no increase in fares.

I certainly think that in addition to returning the transit system to operation, the government must give the assurance to those who use it that as a result of these negotiations, the Province of Ontario and the metropolitan government will bear the cost and not the persons who use the rapid transit system. I ask for that commitment on behalf of the people in my riding and, I am quite certain, on behalf of the people in the municipality of Metropolitan Toronto who are dependent upon that service.

Nobody needs to tell us about the hardship, the inconvenience and the difficulties that this particular strike has caused to the public. It has been visible. It doesn't need any articulation and emotional aura of words in this Legislature to make it understood.

What we have to understand is what was clear at the very beginning of this strike—and I happen to have stated it at that time; it turned out to be perfectly true—that if a strike occurs in the transit system in Metropolitan Toronto when there are 142 outstanding items unsettled, then here is no way in which the collective bargaining process is going to result in anything other than the intransigent view which the Toronto Transit Commission has taken throughout the bargaining process and us being in this chamber to pass this bill now.

The reason we are in this chamber is that the minister knew what was happening in that bargaining process. The minister knew, as everybody else knew, that there was something seriously wrong when the transit system was shut down in the metropolitan area with 142 items outstanding. The public will never forget that. The Globe and Mail published the list of outstanding matters so that everybody in the city is quite aware of them.

I think the public might have been able to give some credibility to the Toronto Transit Commission if, when they had gone on strike, they had settled all but seven or eight or nine of the major outstanding issues and those matters were matters which were going to be dealt with throughout the collective bargaining process.

What does that mean? It means that for practical purposes the metropolitan government, charged under the Municipality of Metropolitan Toronto Act, and the Toronto Transit Commission, have failed in the management of the Toronto transit system in a way that will require in due course of time the replacement of every one of the Toronto transit commissioners, including the chairman, because they have shown a kind of mis-

understanding, a lack of comprehension, a lack of sympathy and a lack of realization of what they were doing. And I happen to be one who believed that there was never any intention on the part of the Toronto Transit Commission to settle this strike in any other way than the way in which it is now being settled in this Legislature.

We are opposing the bill for the same reason that we opposed the bill on other instances which dealt with compulsory arbitration, whether they were the general bills dealing with Crown employees' collective bargaining, whether they were the teachers' bill which was introduced here a year ago, whether it was the Toronto Hydro-Electric Commission dispute of many years ago now, and all for the same reason. In each of those instances, including the passage of the Hospital Disputes Compulsory Arbitration bill, the reason was perfectly clear. The intransigence of the employer at the bargaining table in those services, which were deemed to be essential services but for which we in the Province of Ontario are not prepared to pay the kind of wages which will recognize the essentiality of those services; and will recognize that in order for those services to continue to be provided at the level of efficiency and competence which the Province of Ontario requires in this complex time those wages have to be over and above—at least equal to and in most instances over and above—the wages which will be paid under the collective bargaining system in what could be called the non-essential services. That's where the failure lies. If we start to talk about essential services we've got to recognize that they are essential.

For many months now, I have read in the newspaper the ads calling for applicants to drive the buses and to operate the subway trains and the streetcars of the transit system of the city of Toronto. I have said to myself, "You will never get people to apply for those jobs. You will never get the adequate force you need to make it operate until there is a substantial improvement in wages and a substantial improvement in working conditions."

That argument has been put the other way. The chairman of the Toronto Transit Commission indicates that his answer to the problem of the split shift, his answer to overtime for those who don't choose to work overtime, his answer to the question of wages is, "We can't get enough people to work for the transit system to make it operate."

The reason the TTC doesn't get them is because it doesn't pay enough. The reason the hospitals are in difficulty and the government is in difficulty over that compulsory arbitration bill is because it doesn't pay enough. The equation is perfectly clear; essential services, substandard wages in relation to other services which we categorize as non-essential. It's ridiculous.

Until we recognize that the services provided in the public sector require at least parity with the going rates of wages in other industries in the Province of Ontario—and in most cases superior wages—we will never have the standard of competence, the standard of ability we need in the Province of Ontario for those services to be provided in the public sector.

My leader is perfectly right. The government of the Province of Ontario doesn't really like the public sector. If it could automate it out of existence, I'm sure it would. It's conception of how to deal with rapid transit is to create this toy of Krauss-Maffei, to spend our money on some technological toy which may be necessary at some future time but is at the expense of the current operation of the transit system in the city of Toronto.

Until the perspective of the government is substantially altered on this vexed question, we are going to have continuing problems in the service industries in the public sector. It is handwritten on the wall, everybody knows it.

I don't pretend to be an economist but we certainly are not going to allow ourselves in this party—and we have put ourselves on record many times—now that prices have gone up, now that corporate profits are swollen, now that the return on equity of shareholders is very substantial, now that the funds available for—

Mr. D. M. Deacon (York Centre): The stock market is at an all-time low.

Mr. Renwick: The stock market is at an all-time low but not the pay-out of dividends. That isn't at an all-time low and the member knows that.

Mr. Deacon: Maybe inflation is at an all-time high.

Mr. Renwick: Maybe inflation is at an all-time high and we all know that's trite. That's exactly the point I'm saying. The last people in the business cycle to have to respond are those who are dependent on wages. The cycle is perfectly clear. The Wharton School of Business has illustrated it year in and year out in a very carefully controlled operation and we are now getting to the position in

the cycle which is taking place that the inflation will be equated with wage demands, and that is not the fact. The wage demands are created because of the inflation which has pre-dated them. And I'm not prepared over this next year to slip into that strange jargon which now says wage demands and inflation are synonymous, because the wage demands aren't.

Everybody knows about that little squib in the paper this morning that the government of Ontario's food basket is $13.50, I believe, over and above what it was a year ago and $3.40 over and above what it was a month ago; and the member is suggesting that those persons in the essential services in the low-paying sector of our economy don't have a legitimate claim to increased wages. To have the member for York-Forest Hill start to talk about wage inflation is just so absurd in the situation with which we're faced at the present time. We are going to have to be certain that in the public sector we're not faced continually with this crunch.

I read, quite recently, the article by a labour writer whom I happen to admire, Ed Finn, with respect to the Hospital Disputes Arbitration Act. There are no matters under arbitration under that Act. Those who are acting for the unions in the hospital sector of the province and are subject to that bill are not interested in that bill. There are no arbitrations.

Last year, I forget the figure but it was a very substantial number, it was at least in the two figures; I don't want to speculate whether it was 29 or some such number. But there are none now, and the problem is that you can't pay low wages in essential services. It's just that simple.

The minister has got to understand it and the government has got to understand it. The reason we are opposed to the bill is the very simple reason that the ritual minuet or tribal dance which has taken place over the past week was inexorable. Nothing was going to change and nothing was going to happen.

The Minister of Labour went through his part of the ritual. The Premier went through his part of the ritual. They followed upon the metro chairman, having gone through his part of the ritual. They followed upon the chairman of the Toronto Transit Commission, having gone through his part of the ritual. And what was it? We all ground down slowly to the point where the dance was over, the Cinderella had disappeared and something had to be done about about a situation in which the government of the Province of Ontario, the government of Metropolitan Toronto and the Toronto Transit Commission had all failed in their responsibility with respect to public transit.

I think this is a fair statement. Until the city council of the city of Toronto took part recently in the latter stages of his operation, as their part of this dance ritual that everybody was participating in, I don't recall seeing in the press—and I think the press and the media covered this strike fully and completely—anything with respect to the other boroughs in the municipality of Metropolitan Toronto and what their position was on this strike. I didn't hear anybody taking a firm stand in most of those municipal councils. Everybody seemed to think, in this interregnum between the transition from the private automobile to the public transit system, that somehow or other it can be a doldrum period.

The men in the transit union got caught in that doldrum. That's exactly what happened, and will continue to happen; until people are clear that the commitment to public transit is an important commitment of this government, backed by the dollars of the government, backed by the recognition that the fares must not be increased throughout the municipality of Metropolitan Toronto on the transit system; until that is recognized, and until they also recognize that to attract into the transit system the kind of operators with the kind of skills which are required for the safe and continuing efficient operation of that system, you have got to pay proper wages. Those wages are over and above the wages which are presently paid, over and above the wages, in my judgement, which are demanded and over and above a settlement which might have been made on the basis of what could have been negotiated had there been an element of good faith—and I'm talking about what my leader tried to signal to the government, that the settlement could have been made at around 29 or 30 per cent. It's perfectly clear that it could have been made at around that point.

I can't guess what the arbitrator is going to do, but if he has any brains he will recognize the fundamental question that there has to be a substantial increase in wages, not only to benefit the members of the transit union but to benefit the public by providing the kind of service, with the efficiency, the competence and the skills that the skills that the metropolitan area and the people who live in it demand.

It is a wonderful phrase, that people move into cities for their protection; but they stay in the cities because it is a civilized place

to live, and part of the civilization is a good public transit system which people can use conveniently and get around. That's the kind of quality of service which we have got to understand the public sector must provide if the city is to be and continue to be the kind of civilized place which it has been over the years.

I know the member for St. Andrew-St. Patrick. I guess his version of how this Legislature should have operated was we should all arrive here, and had there been no debate the bill would have been passed and we all would then disappear; that, I gather, is what he said as he objected to the debate.

Mr. Lawlor: All he wants is for him to arrive here and nobody else. Anyway, he disappeared himself.

Mr. Renwick: That's right. We could turn it into a corporate entity and have our meetings by telephone, the way the boards of directors of companies are now allowed to have their meetings, and we would never have to meet.

Maybe you could use that old trick: The House leader could call the Leader of the Opposition and say that the leader of the New Democratic Party has agreed, will he go along with this, and then call the leader of the New Democratic Party and ask him, because the Leader of the Opposition has agreed, would he go along with this, and we wouldn't have to meet at all.

Hon. Mr. Winkler: That's the member's suggestion, not mine.

Mr. F. Laughren (Nickel Belt): It is the way the minister operates.

Mr. Renwick: Yes, and I am now going to say something to my good friend the member for—the House leader—

An hon. member: For Grey South.

Mr. Renwick: Thank you, for Grey South. I wanted to do him the courtesy of not mistaking him for the member for Grey North.

Mr. Deacon: We don't have a Grey North.

Mr. Renwick: Or whatever it was.

Hon. Mr. Winkler: I know what the member means.

Mr. Renwick: Yes, I know he knows. I think that if the House is going to operate —and I hope the House leader will take these words in the way in which I express them—the system of the rules of the Legislature can only operate if there is courtesy to make them operate.

I think gestures were made by the Liberal Party and by this party to try to facilitate the debate. If there had been any sense the minister would have told us what his proposal was and asked for the House to agree and not get involved in playing around with the rules. It's been very serious today and we'll talk about it another day, because the principle of the bill has to do with compulsory arbitration, but we've got to have a return—

Hon. Mr. Winkler: There was no playing around with the rules.

Mr. Renwick: —of courtesy in the House or we are not going to be able to function at all.

Hon. Mr. Winkler: On a point of order, I think I should make it very clear that, today being the day it is, there was no playing around with the rules, none.

Mr. Cassidy: Very definitely there was. The House leader should retract that remark.

Hon. Mr. Winkler: There definitely was not.

Mr. Renwick: Mr. Speaker, I don't think I've got across to the House leader and I'll try again at some other period.

Mr. Speaker: I would ask the hon. member to speak to the principle of the bill.

Mr. Renwick: I want to conclude my remarks to the government by simply stating to them that they must give the commitment with which I opened my remarks. That is, a commitment to the transit riders in the Metropolitan Toronto area that during the life of the collective agreements which will result from the working out of this arbitration procedure which is outlined in this bill, there will not be an increase in the transit fares on the transit system in the Municipality of Metropolitan Toronto.

Mr. Speaker: The hon. member for Scarborough Centre.

Mr. Drea: Mr. Speaker, I rise obviously in support of this bill. Like a number of other speakers—

Mr. Foulds: The hon. member was not brought here simply because he was able to rise.

Mr. Drea: Look, the hon. member had his problems earlier today; now let him just sit there.

Mr. Lewis: That's exactly what we are doing.

Hon. Mr. Winkler: Talk about courtesy—

Mr. Drea: If he has problems, let him go out and consult with somebody; but he should just stay out of this.

Mr. Speaker: Order.

Mr. Drea: Mr. Speaker, I rise very obviously to support this bill. Like a number of other speakers I do so with considerable regret; not the regret that at this particular juncture we have to use a very severe restriction upon collective bargaining, which is compulsory arbitration. I regret that. But I regret even more the fact that we have had to introduce this device into a record of labour-management relations that goes back to 1952; and certainly within the time of Metropolitan Toronto, when the old Toronto Transportation Commission changed to the Toronto Transit Commission and went out into the suburbs, this is the first time that there has been a breakdown of service, that there has been an impasse in the collective bargaining procedure and, in fact, in the industrial relations procedures of that commission and its employees.

Mr. Speaker, it bothers me a great deal that we have a transit system—not just in Metropolitan Toronto, because nobody today has mentioned the subsidiary, Gray Coach—which, by the cessation of its operations, has had just as profound an impact upon many of the smaller communities in this province which are entirely dependent upon it for any type of transportation. But we have had this in the Toronto Transit Commission.

It grieves me that we have had this excellent record of labour relations, and then all of a sudden we have an impasse. We are at the point where very willing, and perhaps sometimes gifted, amateurs have tried to assist the professionals in the settlement of this dispute. We have had controversies over details of proposals by the Premier, when they became public, as to who provided those details. I don't think those controversies matter any more. I think, as one speaker said today, a lot of the things that go on don't really matter because they are behind us.

But it is the men—and I suppose there are a few women, but basically the men—who work for this commission, in the provision of bus, subway and streetcar service within Metropolitan Toronto and of inter-urban buses outside, who are the people who have made rapid transit and surface transit in this city the attractions that they are.

It is all very well for people to say that the government of Ontario is totally committed to an urban transportation system that will replace the car. That is true. But were it not for the dedication, the efficiency, the courtesy, the ability to put up with a split shift, the ability to deal with heavy traffic and customers all of the time, then I suggest to you, Mr. Speaker, that there would not be a very efficient transit system.

It bothers me that the men who have made this system work have now come to such an impasse with their employers that they felt it necessary that they had to withdraw that service. They know who their customers are. They know very well that the people who pay a quarter are going to work every day because it is the only way that they can get to work. It may be very fashionable for those in Forest Hill once in a while to take a flyer on the bus or the streetcar as their duty to ending the pollution business, but the people who ride the subway—and I suggest some of the country boys over there who have been so sarcastic today should try the subway some time; they might like to come face to face or seat to seat with some working people—these people depend upon this, and the people who operate those vehicles know this.

Mr. Speaker, it seems to me that from the time the TTC evolved into the Metro-wide system that it is until now, there was a substantial difference in the makeup of the commission. I suggest to you that even though we're going to end the strike tonight or tomorrow, and the buses, streetcars and the subway are going to roll again, I think we'd be very remiss, Mr. Speaker, because surely we're not asking that the employees of this system—the 5,700 people from those who operate the vehicles down to those who maintain the tracks and do a lot of other dirty jobs in weather around the clock that you and I don't want to be involved in—surely this Legislature is not asking them, at their cost of living, their standard of living, that they have to subsidize Metropolitan Toronto so that we can go around and say that one of the great benefits of living here is that we have a transit system. I frankly do not believe it should fall on the backs of the workers to do all of this.

Mr. Lewis: That's what we are doing. That's exactly what we are doing.

Mr. Drea: I suggest to you that over the years the reason this has now developed into an impasse is that with the growth and expansion of the commission from the three members to the five members, a very essential ingredient was dropped, and that was the labour member.

Mr. Lewis: Right, compassion.

Mr. Drea: There was no strike when Bill Russell represented labour as one of the three men on that commission. There was no strike, there was no cessation of service when Ford Brand represented the working people of Toronto on that three-man commission. There was no strike when Douglas Hamilton represented the working people of Toronto on that commission, both on the three-man and I think at one time he was on the five-man commission. Mr. Speaker, I think that one of the things this government has got to make abundantly clear to the Toronto Transit Commission, the present five commissioners, is that one has to go.

Mr. Lewis: That's because they are all Tories, every single one of them.

Mr. Drea: No, no, take it easy.

Mr. Lewis: They're all Tories, every single one of them. That's the basic problem.

Mr. Drea: No, it's not the basic problem.

Mr. Lewis: They're all identifiable Tories.

Mr. Drea: We can find a couple of Tory labour leaders if that's the kind of patronage the member is suggesting. But I wasn't doing that, the member for Scarborough West was doing it.

Mr. Lewis: I'm sure the member for Scarborough Centre was.

Mr. Foulds: The member for Scarborough Centre will have to resign his seat.

Mr. Drea: Mr. Speaker, what I'm suggesting is that the government, because we pay 50 per cent of the deficit, has a very large stake in it, and I'm one of the people who believes in local autonomy as much as anybody else. I notice local autonomy, in words from the champions of it, was going down the drain today. The Minister of Labour was supposed to intervene when people even thought about striking even before they had their legal rights, but I suppose that's traditional with them.

I think the time has come when the government has to say: "Look, we are putting in this amount of money because a transit system is very essential to the order, the stability and the right of people to enjoy the right and the opportunity to go to work, or to go to the hospital or to go wherever they want to go; and the cost should not be borne [and I'm not just talking about wages] the cost should not be borne by the people who have to drive those vehicles." Out of those 148 things, the Minister of Labour can correct me later if I'm wrong, the actual amount of cash involved for wages may be involved in two or three of those 148 things that were in dispute.

Mr. Speaker, I think the time has come when we should take a long look at the system. There is something wrong with a system that operates a transit authority when there are not just minutes but there are literally hours devoted to whether the man gets a pocket sewn on his uniform to put in a screwdriver.

Mr. Lewis: That's right.

Mr. Drea: Mr. Speaker, compulsory arbitration may decide—I rather suspect that that issue is still in dispute, and I really hope it isn't—but if that issue is still in dispute I think this will be the least of what the arbitrator will have to consider. I think it will take him about a tenth of a second.

Mr. Renwick: It is one of the nine.

Mr. Drea: The point I'm raising is, there is something fundamentally wrong with a system when men have to go in and get into—

Mr. Lewis: It's not a system, it's a commission. It is not a system, it is people.

Mr. Drea: —a prolonged debate when 600,000 people are having to walk—they don't even know if they can get to work, they can't get to a hospital—and this sort of thing is considered important.

Mr. Lewis: But it is not a system. It is five intractable human beings.

Mr. Drea: It seems to me that 20-some years have gone completely down the drain.

Mr. Lewis: It is five intransigent people.

Mr. Drea: Oh, nonsense.

Mr. Lewis: Certainly it is.

Mr. Drea: It is a system. You know, this is a very interesting debate. The member

wants to seize the company. As usual, they want to seize the union. We go through this every single time.

Mr. Lewis: I have no wish to seize that company.

Mr. Drea: Of course not, it's publicly owned. That would kind of destroy a bit of the propaganda, wouldn't it?

Mr. Speaker, what I'm suggesting is that while we cannot do it in this bill there should be a very clear intent that one of those commissioners is going to go. I think personally the Metro chairman should go. I think he has enough duties without running the transit system as well.

Mr. Lewis: I think the chairman of the commission would be a good target.

Mr. Drea: No, I am not making him a target. I think that in view of his other duties he probably is the least essential. I think we should replace him with a labour man immediately.

I think the time has come when we are not going to have a cessation of service in the future, and we are not going to do that by telling the people who operate the service that they must put up with intolerable conditions or they must put up with frustrations because it is their duty to keep everything going in Toronto. I think that's patently unfair. I think it's about time we got a representative on that commission who represented not just the unions—

An hon. member: Like Hydro?

Mr. Drea: —but all of the working people who depend upon the TTC to get them to and from where they are going. I suggest to members we already have somebody in this province who could do that job, albeit may be on an interim basis. I think one of the things we should do is approach David Archer, who is the president of the Ontario Federation of Labour. While it may have nothing to do with the compulsory arbitration, we don't want to be back here in two years doing it again.

We say: "Look, we would like you to go on the Toronto Transit Commission. We want to have a labour voice on there." We don't want to be in the position in this Legislature again of reading that before the union and the company came down to the last two days of negotiations there were so many items on the table that it couldn't possibly be settled. We want to head off in advance those things which can be settled through an orderly use of the industrial relations procedure and I think that that is very important.

Mr. Lewis: What about other minority groups?

Mr. Drea: One of the things that fascinates me is that every time somebody makes a suggestion which those people not on this side should have made, they immediately start to nit-pick the whole thing.

Mr. Lewis: We would check the entire commission. We might even put a woman on the commission.

Mr. Drea: Fine; if the member can find one, go ahead.

Mr. Deans: What does he mean; "If the member can find one"?

Mr. Drea: Find one who wants to serve on the commission and can be appointed. I don't appoint people to that commission and neither does the member except in his fantasies. If he wants to promote one, let him go out and find the person he wants to promote and do it the logical way.

Interjections by hon. members.

Mr. Drea: Mr. Speaker, I think the point I have raised has considerable significance in this debate as to the principle of the bill. I don't think that compulsory arbitration — I think we have to do it now; there's no question but I don't think we want to be in a repeat situation.

My friend from Riverdale in his remarks talked about the ritual dance and I would like to extend his remarks on that ritual dance a little bit. It seems to me we are in the same position the federal House was in in the late 1950s and all through the 1960s with the non-operating railway workers. All the way through there was the ritual dance, all the time, right up to the strike of the railways. Parliament reconvened, some kind of a settlement was imposed, the fare structures or, in their case the freight rates, were adjusted afterwards; there was a subsidy here, a subsidy there, once every two years. Mr. Speaker, I don't think there was anything worse than that ritual dance.

Mr. Lewis: Not so. The CPR wasn't as bad as the TTC. It was pretty bad but—

Mr. Drea: If the CPR wasn't as bad as the TTC, certainly the wages of the non-operating workers didn't reflect that in the 1950s and 1960s.

Mr. Lewis: That's certainly true.

Mr. Drea: I think that's a matter of record; but, Mr. Speaker, that was the ritual dance. I don't think the Legislature should be involved in the type of ritual dance which the member for Riverdale has suggested. I think we would go a long way toward avoiding this type of thing in the future by insisting, as the people who are paying out 50 per cent or 50 cents on the $1 of the operating deficit and paying indeed most of the construction costs for anything new, that there be somebody who really represents the people who find this their only method of transportation.

Mr. Speaker, I would also like to mention another thing which hasn't been mentioned in this debate. While we are considering the seriousness of this situation not a word has been said about the GO service, particularly in Metropolitan Toronto. As somebody who uses the GO train service, I think the Legislature would be very remiss if tonight a speaker did not mention the extraordinary steps that my friend, the Minister of Transportation and Communications (Mr. Rhodes), and my friend the hon. member for Brantford (Mr. Beckett), his parliamentary assistant, took to make sure that the only form of transportation in the Metropolitan area was expanded as much as was humanly possible during this particular crisis. Mr. Speaker, it may be corny but without the GO train service many thousands of children who are innocent of anything in this probably would not have gone to the exhibition. In the big picture we are all discussing tonight, I suppose that doesn't mean very much; but I think it matters a very great deal to those children.

I noticed in the commuter bulletin last night that 71,000 people were carried in one day; the previous high was 23,000. I think the people who ran those trains deserve a lot of credit; running them up and down the CNR tracks, where there are a number of other trains running, is not the easiest thing. But they worked it out and they handled the people, despite the fact that most of them were newcomers to the system, with a great deal of courtesy and fairness; and they did indeed make the GO service work. I think they are really some of the unsung people in this present dispute.

Mr. Speaker, this afternoon when I heard the leader of the Liberal Party—and I really wish he was here—

Mr. R. F. Nixon: Here he is.

Mr. Drea: Oh, good. I knew it was my day.

Mr. Deans: Should he put on his armour?

Mr. R. F. Nixon: He has already been stabbed in the back by his own member.

An hon. member: Oh, no.

Mr. Deans: I am not sure he is able to withstand this assault he is going to get.

Mr. Drea: Mr. Speaker, I heard a call today from the leader of the Liberal Party for a new approach to labour relations. It amused me no end. Here we had a nice country boy who didn't know the difference between a conciliator and a mediator—

Mr. Lewis: Oh, come on!

Mr. Drea: —advancing a new theory that somehow we had to develop an alternative to the essential services—

Mr. Deacon: Who is the member talking about?

Mr. Drea: I am talking about the member's leader, the one who sits next to him.

Mr. Deacon: He is not talking about him in those words.

Mr. Drea: Oh, aren't I? Why, just hear me! The voice of Bay St. responds. Wowee!

Mr. R. F. Nixon: Take a step back.

Interjections by hon. members.

Mr. Drea: No, he has got shoes.

Mr. Deans: The member doesn't understand it.

Mr. Drea: Mr. Speaker, I cannot understand why there is so much concern about the supposed failure of collective bargaining.

Mr. Deans: That's the problem; the member doesn't understand it.

Mr. Drea: Mr. Speaker, if people really believe in collective bargaining—and I know of no substitute for it—then they have to believe that of the number of settlements reported on the financial pages—I think it is 97 or 98 per cent—only about two or three per cent of all contractual things ever reach the stage where they move off the financial pages on to the front page.

A number of people in this province who are in the public service are now demanding much higher wages and say they are prepared to go to great lengths to achieve them.

I don't think that indicates there is a failure of collective bargaining; rather, I think it shows there is a desire—and in this I may be in substantial agreement with the New Democratic Party people who were talking about bargaining in good faith—a substantial desire that the collective bargaining process either be made more flexible or more appropriate to a time when inflation, because of the lack of interest at the federal level, is galloping along at about two per cent a month.

Mr. M. Shulman (High Park): At the provincial level also.

Mr. Drea: I can't be upset about the supposed failure of collective bargaining when we are asking people, whose only source of income is their wages, to sign contracts binding them for two years at one set of wages when all they have to do is a little bit of simple arithmetic and figure out that inflation is running at 19 or 20 per cent per annum. Mr. Speaker, I think we would be in substantial trouble in this province if people were willing to sign two-year agreements for wage increases of 12 per cent or 15 per cent.

Mr. R. F. Nixon: Two months ago the hon. member was in favour of wage and price controls.

Mr. Drea: I am much more concerned that working people would have so little regard for their future that they would sign themselves into a wage cut.

I don't think that the present unrest in the labour movement reflects a failure of collective bargaining; rather, it's a failure—

Mr. R. F. Nixon: The hon. member was going to lead them into wage control.

Mr. Drea: What?

Mr. R. F. Nixon: The hon. member was working his heart out for wage control. That was his answer two months ago.

Mr. Drea: Oh, just a minute. I didn't work my heart out for wage control; I worked my heart out for both.

Mr. R. F. Nixon: I thought the hon. member was Bob Stanfield's right-hand man.

Mr. Drea: Well, I'm hardly his right-hand man, my friend, but I worked my heart out for wage and price controls and dividend control. There is a big difference. Of course, I can understand the hon. member's Freudian slip, that it was only wage control; I can understand that very, very well.

Mr. Speaker, I don't think that because this Legislature has had to be called into a special session to deal with an extraordinary situation we in this province have to be afraid for the future of collective bargaining.

Mr. Deans: It is happening with amazing regularity.

Mr. Drea: Well, yes, we had the elevator constructors. Members will recall the speech I made about the elevator constructors strike. Do they remember my opening lines? I remember them well myself. No greater pair of bandits ever came down the pipe than the union and the companies in that one. This is an entirely different situation. No one has said that.

Mr. Lewis: I was in Arkansas or something.

Mr. Drea: Kentucky.

Mr. Lewis: Kentucky, he is right. I forget where I perambulate.

Mr. Drea: The deputy leader of the NDP had the same reaction now as he had then. But this is a different situation. I realize that some people have been trying to put the whole blame for this strike upon one of the commissioners.

Mr. Lewis: No.

Mr. Drea: Some others have blamed the entire commission. I suppose sometime before the night is over somebody will blame the union. I personally think that there are—

Mr. Deans: Which of the government members are about to speak?

Mr. Laughren: Is the member for Timiskaming (Mr. Havrot) going to speak?

Mr. Drea: Pardon? Well, maybe one of the opposition members will deviate a bit.

Mr. Lewis: The Premier or the member for Timiskaming is going to enter the debate.

Mr. Drea: Oh no, the member for Timiskaming is extremely left-wing compared to some over here.

Interjections by hon. members.

Mr. Drea: I want to come back to the principle of collective bargaining. One of the difficulties with the Liberal Party is that they don't understand collective bargaining. It is only when you don't understand collective

bargaining that you equate it with strike and dislocation, irritation and hardship.

It may very well be that we have to take a different approach to essential services in this province. But if we are going to do that, then I suggest to you it is not a simple as saying that transit is an essential service, because I think that the point the member for Riverdale made is very, very valid. Why should the transit people, because they can be identified as people who are very essential, have to take a lesser settlement than those who work in an automobile factory and who are not considered very essential?

I think I am prepared to argue, and I think a lot of people are, that it may be much more essential to keep an automobile plant going when it is the only industry in town than the transit, even in a large community like Metropolitan Toronto. But what I am saying is that there is no need at this time; despite the inactivity by Ottawa, despite the inflation, despite the fact that the economy is slowly—as a matter of fact not slowly—grinding to a halt; and the stock market has collapsed and a number of other things; I do not think that just because we are imposing compulsory arbitration at this time on a specific dislocation of an essential service in Metropolitan Toronto that we must have a Legislature full of talk about we have to do something about the collective bargaining process because it has failed.

Mr. Speaker, I don't think that it has failed at all. I think the fact that the union, even though they knew that the cards were on the table and that if they did not agree to the special intervention by the Premier compulsory arbitration would be invoked against them, none the less they used the full advantage of the collective bargaining procedure. They weren't afraid of it. They said no. And I don't think that in their next contract they are going to be afraid to go in and use all the normal steps of collective bargaining; nor from the moment they go back to work do I have any doubts that they are going to use the normal industrial relations procedures of grievances and so on and so forth, even on to arbitrations about specific working conditions that are in dispute. Of course not; they are going to go on as they have gone on before.

Mr. Speaker, I think I would be very remiss tonight if I did not take a long look at the attempts to rewrite the role of the Premier in this dispute. I say again that I was not one of those who was privy to the intimate details of this labour dispute.

As a matter of fact the more I read in the paper the fewer people I find who were privy to the innermost details. I'm getting a little bit tired of all the amateurs coming out and saying: "I know what went on in there." If they all knew what was going on in there surely their figures would jibe; and no two sets of figures ever really appear to jibe.

Mr. Speaker, the Minister of Labour in this dispute acted in accordance with the dictates of his office. He is not the labour tsar of this province. He is really the minister of industrial relations and part of industrial relations is the cessation of services or the withdrawal of services by the employees. In this particular matter the employees acted within their legal rights. We may argue as to the impact of what they did but none the less what they did was entirely proper and entirely legal.

At that point, Mr. Speaker, the Minister of Labour, in the words of somebody, should have stood up and thumped his chest and thumped the desk and said: "This is all going to end tonight because I, the Minister of Labour, say so." Mr. Speaker, this only happens in a couple of places in the world where nobody here wants to live. I know there are some who are enamoured of them but nobody really wants to live in those two places.

Mr. Speaker, the Minister of Labour assigned a very skilled mediator to this particular dispute. I think that is a commendation to the already long list of commendations of the Ontario Ministry of Labour. The one person who, in this entire debate, appears without criticism and, indeed, from every speaker has had considerable praise is Mr. Speranzini. The minister assigned a very skilled mediator who went about his work in a professional, orderly, methodical way. To suggest he should have gone on television saying: "I'm doing open bargaining. Here's what they say now, here's what they said then"—Mr. Speaker, anybody who's had even a tittle of experience in industrial relations knows that not only would that not work, it would be a permanent disaster.

An hon. member: That would be stupid.

Mr. Drea: The mediator certainly acted as a very professional one; well within the standards. I don't really think he was exceptional; I happen to have great regard for the staff of the Ministry of Labour and I think he was just doing his job.

Mr. Speaker, when his efforts came to a halt the Minister of Labour personally inter-

vened and the Minister of Labour asked the parties if they could continue to negotiate and the parties said they could not. I can recall reading in the press that the Minister of Labour in this province, this very week, said collective bargaining has to run its course. He was not going to come in to scoop up and seize the operation. We weren't going to be one with those demands—I think it was the last time around and my friend from Bay St. has left; the last time around he wanted to seize the school board because that would end the strike. I think a couple of times before that somebody wanted to seize a union because that would end a strike. That's not the way the Ministry of Labour works in this province; this is a democratic place.

At that point he put in his top mediator; the director of conciliation, the assistant deputy minister, Mr. Dickie went in. It is a tremendous accomplishment when out of the more than 140 items in dispute between two parties which were so instransigent—and I'm not going to place any blame; I'm just going to say they were so intransigent or so locked —today the Minister of Labour gets up and says there were 14 items still in dispute but now they've been reduced to nine.

I think that is an accomplishment reflecting the professional standards of our Ministry of Labour. I think that is the role of the Minister of Labour in this province. I do not think the Minister of Labour is to become the chief performer in a travelling road show who decides what workers will get or what they won't get at any given time depending upon his feelings. I suggest to you that anybody who wants a Minister of Labour in this province to act in that way had better start thinking a little bit about what the impact will be.

Then, Mr. Speaker, after all this, the Premier of the province intervenes. The Premier of this province did not impose compulsory arbitration or say he was going to earlier this week. The Premier of this province proposed, in effect, a cooling-off period in which the people who are on strike would receive an initial wage increase, which is identical to what is contained in this bill, and that there would be mediation and various attempts to bring them together; and that togetherness would be achieved while the service on the system resumed; because quite frankly, everybody agreed that the service had to resume. I agree with speakers who say that the drivers and operators and the mechanics and so forth, they too agree that the service has to resume.

That was the proposal of the Premier. That one of the amateurs chose to reveal it on television and get us into a controversy, I really don't see how the Premier or the Minister of Labour can be faulted.

Now we have come full circle, Mr. Speaker. There is no way of getting a negotiated settlement. On the one hand, we have 600,000 people who use the system daily. We have school children going back on Tuesday. We have people who are absolutely dependent.

I agree with my friend from York-Forest Hill; I worry about the small businessman. Eaton's and Simpsons can always take care of themselves; it may be deferred inventory. The little fellow has got to negotiate with the bank every month and the rates are quite high. Okay, it has to come to an end.

Mr. Speaker, I suggest to you—and I really haven't heard anybody talk about any of the details in this bill; I somehow wonder if anybody has ever read it—

Mr. Shulman: We are not supposed to do that on second reading. The member can do that later.

Mr. Drea: Oh, we can refer to it. If the member for High Park followed that rule there would be very few speeches from him.

Hon. J. W. Snow (Minister of Government Services): Is the member getting many calls tonight?

Mr. Shulman: Can I use the minister's phone?

Hon. Mr. Snow: He can use my phone. I use my finger.

Mr. Drea: Mr. Speaker, the overriding public interest must prevail. We have come to the end of a very fair, a very comprehensive and a very impartial test of the collective bargaining procedure as it involves the company that operates not only the transit system for Metropolitan Toronto, but as well the buses that serve the smaller communities. We are in a situation where now not only these people who really need it to go to work, but the school children and lots of other people are involved.

It is the Premier's own words and the Minister of Labour's own words that we do this with the utmost reluctance. Frankly, I don't think anybody would have been happier in this province than my friend from York West if he could have negotiated a settlement, because he doesn't believe in compul-

sory arbitration. He is a very just and he is a very fair man, but right now he has to let his feelings about the imposition of a settlement by a third party be balanced out by the need of the people for some relief from the difficulty that they are in regarding transit.

Mr. Speaker, I say to you again that this will not end the series of troubles on this transit authority or indeed the one in Kitchener they are worried about next week, the one in St. Catharines that somebody mentioned later on in the month, and the ones that will come in the future. I suggest to you if the government of this province is going to be as deeply committed financially as it is to transit systems that the time has come where at least one—and maybe if the commissions are larger, maybe there's some other role—but at least one of the people who is responsible for running it must represent the people who depend upon that system.

I would throw out one last thing to you. If it wasn't for the urgency of this tonight, I would suggest an amendment. I am not going to, but I would suggest an amendment that anybody in this province who becomes a transit commissioner doesn't get a chauffeur-driven car as part of the job, that they get themselves a gold-plated pass that takes them on the system and that one of the conditions of their employment to run the system is that they ride those buses, they ride those subways and they ride those streetcars. Unless and until they get on them, they aren't going to know the problems of the driver, they are not going to know the crowding of the people, they are not going to appreciate what it means to be driving a Gray Coach bus when there are two or three inches of ice on the road and that's why we leave our cars at home.

Mr. Good: The same for the Ontario Northland Railway.

Mr. Drea: There's many a night, Mr. Speaker, when I have to go somewhere out of town and I take one look at the roads and I take a bus. I go to sleep and I often wake up feeling very guilty. The reason that I wouldn't drive was because I was afraid of the road; but as for the guy who was driving, I had that amount of confidence in him that I went to sleep.

I think the time has come when the people who are in charge of these operations get out of those air-conditioned cars and try those buses and that subway; not just in the rush hours, but they try them in the off-hours and they find out what the people want and what the system wants. Unless we have that as well as some control on the commission from the people who really need these things, then we are just going to have to come back again and again because it's just an economic struggle or it's just an arithmetic struggle. I think it's far more fundamental than that. Thank you.

Mr. L. A. Braithwaite (Etobicoke): Mr. Speaker, I want to join this debate, although I must say that I'm not all happy to join with my colleagues to vote for compulsory arbitration in this particular bill. But I must say that I represent a riding which is within Metropolitan Toronto and in which 90,000 of the two million people in Metro live, and I feel that 19 days is enough; 19 days of stalling by this government is more than enough.

Mr. G. Nixon: The member didn't say much.

Interjections by hon. members.

Mr. Braithwaite: All right, the member will have his turn.

Mr. Speaker, I want to say this: The borough of Etobicoke, the northerly portion of it, is a part of northwest Metro, and no part of Metropolitan Toronto is more poorly served with transportation facilities than that part of Metro. Mr. Speaker, many times in this House I have asked the Premier and the Minister of Transportation and Communications to do something about the transportation system in that part of Metro. In particular, we've asked for a GO station. As I recall, Mr. Speaker, the last time I asked the Premier himself about a statement he made during the inaugural of the GO system from Georgetown to Weston—

Hon. Mr. Snow: Georgetown to Union Station.

Mr. Braithwaite: —he stated that there should be a GO train station somewhere in the Kipling or northwest Metro area by the fall. I want to say this, Mr. Speaker, that if the GO train station which had been promised to north Rexdale had been in operation before this strike started, the people in northwest Metropolitan Toronto, who have suffered more than the average person who lives in Metropolitan Toronto because of the strike, would have looked upon this as a godsend.

But what do we have, Mr. Speaker? We have an area made up of working people; the great majority of the people who live in northwest Metro, Mr. Speaker, are working

people. There's been a lot of talk today about the working man, but I don't think that many of the members who have said that they understand what's happening know what the situation is like in north Rexdale. As I said, Mr. Speaker, if this government had put in a GO station in the Rexdale area before this, the people I represent and for whom I'm speaking tonight—

Mr. Speaker: Order. Would the hon. member for Etobicoke get back to the principle of the bill?

Mr. Braithwaite: I'm on the principle, Mr. Speaker, with great respect.

Mr. Speaker: You are not on the principle.

Mr. Braithwaite: I'm talking about transportation.

Mr. Havrot: He's on the GO train but the wrong one.

Mr. B. Gilbertson (Algoma): He's on the wrong track.

Mr. Speaker: Order.

Mr. Braithwaite: With great respect, Mr. Speaker—

Mr. Speaker: Order.

Mr. R. S. Smith (Nipissing): How many rules have you got in this House?

Mr. Braithwaite: With great respect, Mr. Speaker, the previous speaker talked about the GO system and he made it quite clear that no one else had mentioned it. And I'm merely following up on what he had to say.

Mr. Speaker: I wasn't in the chair to hear the previous speaker but I would say that the member is talking about an extension of the transit system. We're not talking about any extension of the transit system.

Mr. Braithwaite: And I Mr. Speaker, am talking about the 90,000 people who live in the Rexdale area who are suffering because of this strike—

Mr. Speaker: Just get back to order, please.

Mr. Braithwaite: —and I am saying, Mr. Spakr, that this strike need not have happened but for that government on the other side of this House. That is what I'm saying and if that isn't on point I don't know what is.

Mr. Havrot: Get hold of the boys in Ottawa and the ones in Quebec. What have they done in Montreal?

Interjections by hon. members.

Mr. Braithwaite: Mr. Speaker, there has been a lot of talk today about the elderly—

Hon. Mr. Snow: An honest man like the Leader of the Opposition—

Mr. Braithwaite: —and I want to say this, Mr. Speaker, that we have two large homes for the aged in my riding, and as I said the great majority of people who live in Rexdale are entirely dependent on the TTC; and these people are outraged, Mr. Speaker, because this strike happened and because it has lasted so long and there is no reason. They cannot understand why it happened to begin with.

They believe, as I do, in collective bargaining, but I want to make it quite clear that there can be no collective bargaining, as many other speakers have said today, if one side says: "No, we are not going to give an inch."

I'm not going to go over the sequence of events here except to make it quite clear that there was a contract and it ended on June 30. The union had put in its demands away back in April. I have talked to drivers and I've talked to employees of the TTC and they have told me how they've been after their union people for some news and there was no news.

Why was there no news? There was no news, Mr. Speaker, because the TTC management knew that they couldn't give an inch because they couldn't afford it. There was no word coming from this government to tell them: "Well you can go so far." It was all, as other people have said before me, a charade and it was supposed to go on on and on until the union gave. How could you expect the union to give when they have a gun to their head? What kind of men would they be, the negotiating people? What kind of people would they be if they gave in knowing that they've been held up all the way?

I say this, I don't know any of the negotiating people for the union, but I've talked to people who do and I understand that they are very responsible people. Mr. Moynehan is to be commended for holding his people together and keeping them from doing things they shouldn't have done. I say this, that the TTC management knew that they weren't going to move and the TTC management knew that the strike was going to come and the government did nothing about it. This, I feel is one of the things that has caused the

people of Metropolitan Toronto to suffer, and in particular the people of northwest Metropolitan Toronto.

Mr. Speaker, it has been brought to my attention that the management of the TTC, because of the way they have acted not only in this particular case but in the years past, is living in a mid-Victorian era. I'm looking at the final offer that was made by the TTC. Clause 9 of the final TTC offer refers to break periods; and I'm going to use this example to point out to this House something that has already been pointed out by the leader of the New Democratic Party, that they negotiate but they don't really mean to negotiate, and it became quite clear to the people.

Clause 9 refers to break periods and it states: "Operators' break periods as provided in present regulations will apply on Saturdays and Sundays." In order to understand what this is about, go back and look at the average driver, a driver who works an eight-hour shift. It wasn't until very recently that these people were given any time within that shift to eat or to take care of their personal needs. As I understand it a year or so ago, perhaps a little longer, after many years, the TTC conceded the point and gave these men somewhere between 14 and 20 minutes of a break after they had worked at least five hours of an eight-hour shift.

On the surface that looked like something, but when you analyse it you realize that in those 14 to 20 minutes the man or the employee had to buy tickets, eat if possible and do other things and get back in time to take his shift over when the rest period was over. It turned out, as I understand it, to be almost impossible. In any event, this 14 to 20 minutes was given only if you worked on the morning or the afternoon shift and not at night.

It looks as if, by this final offer of the TTC, they are really giving up something when they say that this is going to apply to Saturdays and Sundays as well and not just to the weekdays. But, Mr. Speaker, from what I've been told, the average TTC driver who works on a Saturday or a Sunday doesn't work a mere eight-hour shift, he works a 10-hour shift, and merely giving him a 14 to 20 minute break after working five hours is really giving him nothing.

If the management of the TTC was not as old fashioned as it is, why didn't it do something about shortening the period of work on the weekend and why didn't it do something about giving a shift differential if you worked at night? There are a lot of things they could have done if they really wanted to show the workers that they were interested in them. They did none of these things. Most of the concessions they gave, as I have said, were clearly doubletalk.

It has been said that these people should accept or should have accepted the offer made by the Premier to them, but from what I have been told, Mr. Speaker, in the last seven years the TTC workers' safety record has been the best of North America. Of all the transportation systems in North America our system here has had the best safety record. This is an indication to me that we have here in Metropolitan Toronto not only the best drivers and other workers but also the most efficient, or the system wouldn't be working so well. I understand that not only is the question of salary important when a man comes to apply for a job at the TTC but also the criteria that the management apply are quite high and that is why we are having difficulty in getting more men. But the men we do have working for our transportation system here in Metropolitan Toronto are the best in North America.

If this is so, Mr. Speaker, what is wrong with paying these men the same as a man who does the same job in Vancouver or anywhere else in Canada? You can talk about parity but when you are talking about parity and you are talking about the best in the group, why shouldn't the best men get the most? Why shouldn't they? Or get the same as anybody else?

Something else, Mr. Speaker, I don't know if it is commonly known, but I've been told that these people by going on strike are fighting the battle not only for themselves but for all of the management and all the clerical staff who work for the TTC. But these are the people who have to give up on their wages. These are the people, Mr. Speaker, who have to suffer, and their families. As if this wasn't bad enough, the information given to me indicates that in management and clerical and most of the other jobs in the TTC, the wages being paid to those people are higher than the wages that are being paid people doing similar things in industry. In other words, the people who are driving the subway trains, the buses and the streetcars in some cases are getting less than their peers throughout Canada; the people for whom they have to fight the battle of wages are getting more. It just doesn't make sense, Mr. Speaker, that these people should have to come to this final hour and be forced back to work when

it could have been done so easily if their worth had been recognized long ago.

Mr. Speaker, in closing, I want to say this: If you look at the situation from the point of view of a driver, who has seen no good faith throughout these negotiations, and say he were sitting here today and saw how the government, in bringing in order paper No. 77(a), shows its capability for carriyng on in a way which doesn't make it appear that it is capable of showing good faith, you can't but wonder how these people feel. Are they really going to be treated fairly when this bill is passed?

My suggestion, Mr. Speaker, would be this: Let us forget what has been done in the past. Let us forget the steps the government should have taken. Let us forget what the TTC could have done. Let us say this: Instead of offering these people 12 per cent, as we have in the bill here today, why not raise the offer to 18 or 19 per cent, say, so that these people at least know that the government intends to get off of dead centre? Then, when the time comes to go back to work, Mr. Speaker, you will have people who although they are forced to go back to work, will at least feel that their government does try to understand them.

Mr. Speaker, as I said, I am supporting this legislation because of the people who live in the riding I represent. I am not happy about it, but I do feel it is not too late for this government to take some steps to show the average worker that they can care if they wish. Thank you.

Mr. Speaker: The hon. member for High Park.

Mr. Shulman: Mr. Speaker, I would like to speak briefly on this bill. I have had the feeling in the weeks prior to the strike beginning, as have many here I am sure, that the strike was inevitable. We all knew it was coming, and quite frankly the people who were directly involved were not in a position to stop it. Those who were in a position to stop it didn't care at that time.

The reason the strike was inevitable is that the men in that gallery, the men who are out on strike, are the same as anybody else in this country and this world; they have a need to do what they can to maintain their standard of living. Something that apparently hasn't been considered by anyone, including their union leaders, is that although they asked for 40 per cent over two years—and it sounded horrible—if you stop and do a little calculating, if they had got that 40 per cent —and they are not going to get it, but if they had got that 40 per cent—two years from now they would be earning less in real wages than they are earning today.

Let me just take a moment and explain that. Forty per cent, Mr. Speaker, is 20 per cent a year. We all have to pay income tax. In their wage bracket half of that 20 per cent per year would go to federal and provincial income taxes; they would be left with a net increase in their income of 10 per cent per annum. I suppose everyone in here, even those who have the least knowledge of economics, is aware that the rate of inflation in Canada today is considerably greater than that. The last figure we have as of this moment from Statistics Canada is 14½ per cent. Let's just suppose a miracle occurs that the Treasurer (Mr. White) and John Turner have a change of heart and stop sending us into bankruptcy. Let's suppose we have such a change of heart tonight and the inflation stops going up; the fact remains that at the current rate those men, at the end of two years, if they get their 40 per cent, will be eight per cent worse off than they are today in terms of real wages.

Sure, they will have more paper money. Sure, they will have a bigger pay cheque; but when they go to the stores they will bring less home. Somebody should tell the government that. When they offer 23 per cent, which is all they had to give, they are going even further backwards.

Mr. Lawlor: Surely those fellows should know that. They have experienced it themselves. Have they to raise their own carrots?

Mr. Shulman: What bothers me is the commissioners didn't have the money to give. They didn't have the 40 per cent to give and 40 per cent wasn't enough to keep up.

Mr. Havrot: The member is a real hero.

Mr. Shulman: I am not trying to be a hero. I am trying to point out some facts.

Mr. Lawlor: He will find out before long.

Mr. Shulman. What about the TTC commissioners? They didn't have the 40 per cent. Where were they going to get the money?

(Were they going to raise the fares? All the studies show if they raise the fares, they would drive more people out of the streetcars and out of the subway.

Are they going to increase the taxes? The city can't really increase the municipal tax any higher than it is now. It is so punitive people on fixed incomes can't pay it.

This strike was inevitable. No one could do anything about it. It was bound to come because the city didn't have the money to give. The commissioners didn't have the money to give and the men had to have it so we have this strike.

What happened? The government sat for 18 days and we went through the process and the Minister of Labour must have known the process had to break down because the money just wasn't there to give. They could solve 143 of the problems but it isn't going to solve the basic problem which is: "I have to have enough to keep up my standard of living. I have to have enough to pay the rent. I have to be able to give my wife the same amount I have been giving her before in terms of real buying power."

He must have known. He had to know—we have to give him that much credit—that this strike was going to occur.

So it occurred. We went through the motions. We had his best negotiator come in, and the best negotiator couldn't solve the problem because there was nothing to negotiate with.

Finally we come down to today; and today it is suddenly, after 18 or 19 days, an absolute emergency; such an absolute emergency that we can't follow the normal safeguards we have in this House to make sure that bad legislation doesn't go through. They didn't dare take a chance on getting unanimous consent. They had to brush our rules aside. That's what bothers me more than anything else today.

They knew. They had to know. They can't be that stupid; and yet they come along and play this sort of game.

What really bothers me is the game works. And what's the outcome of all this going to be? The outcome is going to be that the Premier, the strong leader, solved the problem. He got those streetcars running again.

And what's the outcome going to be as far as the opposition goes? The NDP got suckered. This is a party of principle and one of the principles is we stand against compulsory arbitration.

Interjections by hon. members.

Mr. Shulman: All right, I give the Premier full credit. He is one of the smartest politicians in the country. There's no question about that.

Mr. Young: This was planned months ago.

Mr. Shulman: Here's a party of principle and we are coming down here and saying we stand on the principle and we are against compulsory arbitration. But that's not what's going out over the airways.

Members should have heard Jack Dennett at 6:30 tonight—I wish my leader had heard Jack Dennett at 6:30 tonight—and the lies that came forth over CFRB. It was said Stephen Lewis is prolonging the strike with a tirade of a speech tonight. None of the members believes that; they know better. They said over CFRB tonight he gave a tirade of a speech on matters that had nothing to do with the issue.

Straight lies. It's just untrue but that's what's being fed out to two million people in Toronto. When this is all over the story that's going to go out is the NDP tried to prolong the strike by asking for a debate, by voting against it.

Mr. Young: Planned it months ago.

Mr. Shulman: Yet the real people responsible aren't even in this room. They are down in Ottawa. They produced this economic situation which has driven us to the point where we are having to do this tonight.

We are going to be back in six or eight weeks to do this same thing again with the hospital workers and we are going to have to do it with the civil servants. I don't know how the government is going to handle that one. We are going to have to do it with group after group after group and we don't even have the solution here. It's out of our hands.

The government could help. It could help economically, but basically the problem lies in Ottawa; and it's so frustrating to sit here as a legislator and know that you can't really attack the problem and know that the people on both sides are in an impossible situation. I don't blame this government for this situation—they are not basically responsible; they followed along willingly, they've gone along; the Treasurer of Ontario has not hesitated to rush after with his budget.

Hon. Mr. Snow: How's the member's telephone?

Mr. Shulman: What really is upsetting is that I know how this is all going to end up. The government is going to appoint an arbitrator and he's going to be a good man and he's going to go in there and he's going to have the horrible problem of how to satisfy everybody. He wants to give the men more, but he knows he can't give them everything they ask, which is inadequate, because if he does he's going to be in trouble

with government, which appoints him; and with the public, who are annoyed, angry with the TTC workers. They have no sympathy out there.

There is nobody listening to us in here. Outside in the big public they say: "Good old Bill Davis, he's showing them. Even the teachers, he's- sending them back to work." They don't have the public sympathy.

So I'll tell you right now what he's going to give them. He's going to give them 14 per cent retroactive to the last contract. He's going to give them 10 per cent in six months and another nine per cent six months after that. So he's going to split it down the middle and give them a little bit more and they'll end up with 33 per cent.

Mr. Lewis: So we didn't need this debate.

Mr. Shulman: They are going to slip back over the next two years another 12 per cent bring-home power; in what you can pay the rent with.

And it isn't just the TTC workers. It's going to be group after group. We are dancing around the edges, not really coming to battle with the real problem, and this is a frustration to me.

So, Mr. Speaker, I find it very difficult to get exercised over this bill. At this point it is about the only thing the government could do. A great deal could have been done in the past, when they weren't thinking; at this point they have no choice.

Mr. Havrot: Hindsight is better than foresight, yes.

Mr. Shulman: If the word is getting through to someone who might pay some attention and who has some influence with the government—if it is getting through to that individual, I hope he'll have a good talk with his Treasurer because that is when the government is going to have to decide what its problems are going to be in coming years: when it sets up its budget.

When we come down to what we are doing, we are sticking our thumb in the dike; we are putting a cork in here and another hole is popping out over there. So next year when the government brings the budget down consider, get a few economists, get some proper advice, because the government is leading us right down the road to economic hell.

Mr. Lewis: Mr. Speaker, on a point of privilege, I would like to ask you to requisition the transcript of Jack Dennett's talk tonight. I absolutely trust the report given by the member for High Park. I'd like to see whether my views were slandered publicly—what I've said here. I've really had my fill of Jack Dennett and I'd just like to see what he said. Maybe you could do that for me to protect my privileges as a member.

Mr. Speaker: I may be able to do that through the Speaker's office, but I imagine you could do that on your own.

Mr. Lewis: Perhaps we could do it together and protect our rights collectively.

Mr. Speaker: We'll do it together.

Mr. Lewis: Good, good.

Mr. Speaker: The next speaker is the hon. member for St. George.

Mrs. Campbell: Mr. Speaker, I am, I must say, saddened to be a part of this very shoddy procedure which has faced us today.

An hon. member: Yes, just like Ottawa.

Mrs. Campbell: I oppose, as do my colleagues, the principle of compulsory arbitration.

Mr. Laughren: We have a convert.

Mrs. Campbell: Yes, I have some concern about other people. If I were to say that I would vote against the government on this bill, where would it leave us? It would leave us back with the union having to proceed with negotiations with the TTC.

According to my information, at an early stage the chairman of the commission, who could not plead ignorance of a knowledge of labour relations, took the unprecedented step of making a direct appeal to the membership of the union to try to negate the leadership which they had accepted. Anyone who has the most elementary information about a labour dispute knows that this is unforgivable. I would think the Ministry of Labour could have taken that step into consideration in assessing the good faith of the commission.

Subsequently, he expressed in the newspapers the fact that Mr. Moynehan was a fine man but the other people around him were not. So we get another of those nasty little steps to try to bring about a result which one could easily foresee—that the members of the union would be outraged and it would be most difficult, in that climate, for Mr. Moynehan to preserve any kind of control, I should think. It is to his credit, as I see it, that he was able to do so.

The member for Scarborough Centre has stated one very important principle as I see it. The whole matter of labour relations doesn't start just at the point of negotiation; the whole function of labour relations comes into play during the period of the contract. In this case, there was no one on the commission, so far as I can ascertain, with the possible exception of the chairman who certainly some time in his past history knew something about it, who really understood the whole matter of labour relations.

It is true, as the member for Scarborough Centre said, that when Ford Brand was on the commission and when Doug Hamilton was on the commission, we did not erupt into a strike position. I am sure if they were here they could tell you they had some pretty tough negotiating to do.

It is interesting that in the city of Toronto with its harbour commission, with the record of the labour membership, with two very tough unions, we have had no history of strikes because Mr. Genovese some time ago, Mr. Tate at the present time, have established the principle of a decent working relationship during the period of the contract. This is something I don't think the TTC management has grasped.

What are the alternatives in a situation like that? Let's go back.

Reference has been made to that amateur who came into the scene as a latecomer. It was perfectly understandable why the mayor of Toronto would come in late. He did not have the authority to come in earlier and he waited until it became apparent that no longer were there to be negotiations so far as the TTC management was concerned before he intruded himself into what he knew was probably a very delicate situation.

It's so easy to say that we should have been there, from the point of view of those of us who are not involved either at the municipal level or on the government side at the provincial level. The question was put of one of my colleagues: "Where were you during all this time?" All I can tell is where I was, representing a downtown riding, I was in touch with the chairman of Metropolitan Toronto on a fairly regular basis. I was in touch with one of the trade unionists in this city who was very aware of the situation at the TTC. I was in touch with Mayor Crombie and I was in touch with a member of the commission. But what does one do on the outside? And you are still on the outside in a situation of this kind.

So my first reason for saying that very reluctantly, very sadly, I am supporting this bill is because I don't think that sending them back on a voluntary basis will achieve a thing. I have a very firm belief in my soul that the commission did not want to try to resolve this situation because, unlike the member for High Park, I have observed the way in which the Metro chairman runs into close, secretion if you like, with the Premier of this province. And he knew where he was going. He knew what he could get; or he knew what he couldn't get, either way. We don't know that.

I don't pass it off on the basis that they couldn't decide anything because they didn't know. I think they had very firm instructions as to where they would go and how they would move in this particular issue.

Added, however, to all of that, is the fact that I have spent the summer in my riding. It is a downtown riding and one would think that most of the people there were pretty able to manage one way or another in this emergency. But one of the people I had to talk to recently was a woman employed by Garfield News who has not had a pay cheque since Aug. 4 and who will, no matter when the strike is resolved, not receive a paycheque for one week after she goes back to work, and she's concerned about her rent. I say to the leader of the New Democratic Party, that is far more than an inconvenience to which he made reference.

I have met with older people, one woman in particular who was in quite a serious state because she was trying to get to hospital but she couldn't get a cab. She couldn't get there, although she needed the treatment, but it wasn't an emergency so she couldn't get an ambulance.

So the stories mount. I believe if I could be assured tonight that, for example, the Minister of Labour and his team had even put the Crombie proposition to both sides and they turned it down—at least I'd like to know who turned it down. I don't even know that it was ever put, because we'd have to save the face of the Premier of this province. I think if I could be assured that there was good faith with the TTC management I might still not support the position of compulsory arbitration. But at this point anything that I would do to stop it would in my view be totally, utterly meaningless, both for the employees and for the people across this metropolitan area. So for that reason, Mr. Speaker, with all that is in me opposing in principle what I am doing here, I am supporting the bill.

Mr. Speaker: The hon. member for Sudbury.

Mr. Germa: Mr. Speaker, I have a few words I would like to say on this bill, which I am unalterably opposed to. Having listened to the debate these past several hours, it is hard for me to believe that the rest of Ontario is still beating away out there and things are going along as normal in Thunder Bay, Schreiber, Sudbury, Kenora and Rainy River. To hear the bleeding hearts here in the Liberal Party and the Premier of the province reciting these great hardships which are befalling the people of Toronto, just makes me wonder what the Province of Ontario is. Is the Province of Ontario just bounded by the narrow section of property here in the downtown core of Metropolitan Toronto?

In any war there are bound to be casualties and I consider this to be a war between two classes of people, those who have and those who have not. It is a working-class war and these people have every right to take certain action in order to try and better their lot.

The member for High Park made a very good case when he figured out the economics of the thing, that even the 40 per cent demand, which to some people seems impressive, is not really going to solve the problem. It seems that the faster they run the farther behind they get, and this is precisely where all of the working class is in the Province of Ontario because of the failure of this government to take the necessary steps to curb inflation.

You will recall, Mr. Speaker, that all last winter when we were in the House we rose consistently almost every day and recited case after case where the cost of living should have been taken in hand by the Premier and his cabinet, but lo and behold the Premier chose to play politics because he knew there was a federal election coming up and he consistently placed the blame on those dirty Liberals in Ottawa. His game didn't pan out, thank the Lord for that, otherwise Canada would be in a more desperate situation than we are right now with a Conservative philosophy ruling us.

I was interested in what the member for York-Forest Hill had to say. It is the old line of those people who have a little bit of wherewithal, that wages are inflationary and that this 40 per cent demand was inflationary. Well we see that even the 40 per cent was not going to meet their problem. We know that the inflation is going to eat up even the 40 per cent that they would have got, and yet these bleeding hearts go along and make these statements. The press is also intransigent in repeating these kinds of statements and making the general public believe that the reason we have inflation is because working people want to get a decent wage.

I am not interested in the working class just staying even; I am interested in the working class gaining a little bit of upward mobility. I am interested in reducing the gap between the top and the bottom sectors of our society. Despite all of the strikes, all of the negotiations, all of the hardship that we have had in this province and across this country, we still haven't made one dent in reducing the differential between those on the top and those on the bottom. To just quote one statistic, 10 years ago a doctor used to earn four times the average wage of the workers in Ontario; the present differential is six to one. He now earns six times more. So, even despite negotiations and strikes and the ultimate pressure that the trade union can put on, we are still going backwards as far as overcoming that problem. The responsibility for that rests with this government and it has failed to take the necessary action.

The reason we have inflation—and we have told this government 10,000 times already—is the exorbitant profit margins which have been accruing to the corporations in the past several years. The corporations are getting fatter at the expense of the worker. The corporations are driving up prices in order to magnify and increase their profits. I would just like to quote a few for the year ending December, 1973. The percentage increase in profits has been obscene in the past year and yet this government fails to tax these profits away, fails to lay any controls upon them and just lets the cost of living spiral and spiral and eat up working men's wages and women's wages.

Maple Leaf Mills increased their profits by 149.5 per cent. There is not one worker in Ontario who increased his wages by 149 per cent last year, not one, out of the millions who are working in Ontario.

International Nickel Co.—I know them well, I worked for this gang—increased their profits by 106 per cent, and at the same time they were increasing their profits by 106 per cent they laid off 5,000 employees. That is speed-up if I ever saw it. The worker is working harder, he is creating more profits and he is getting less return for what he is putting into his job.

Falconbridge Nickel, another Sudbury company, a 776.4 per cent profit increase last year over the year previous.

Rio-Algom Mines—this is one of the gang that is killing miners like they were made out of popcorn in the uranium mines at Elliot Lake—increase in profits, 1973 over 1972, 219.2 per cent.

Markborough Properties, a Toronto-based company—we all know what they are into, they are one of the real estate racketeers around southern Ontario—we begged this government to do something about land costs, particularly in southern Ontario, and yet Markborough is allowed to increase their profits by 515 per cent.

Is it any wonder that the TTC workers are demanding a 40 per cent rise in wages in order to pay off these profiteers who are gouging the paycheques right out of their pockets? They have every right to take the action that they took. And this government has no right to come here and make slaves out of any group of workers. It has happened four times already in the sittings of this House, since this House went in. This government has blood on its hands. It is making slaves out of people. And let me tell you, the chickens will eventually come home to roost.

The working class of this province is not going to take that forever. It is getting easier and easier for this government every time. They have fallen into a trap. They have a noose around their neck and they can't get out. They are locked into this compulsion syndrome and at the slightest provocation bring it into the Legislature and we will legislate them back to work. This is shades of Hitler if I ever saw it.

The member for St. Andrew-St. Patrick demonstrated his ignorance of the bargaining process when he tried to defend the Minister of Labour for not intervening when there was so much evidence available that the TTC management had not participated in good faith bargaining. When it takes three months to get a pocket sewn into a uniform to hold a screwdriver, at a total cost of $15, and they argued that for about three months, if that is not a sign of bad faith I don't know what is. And when you take the last proposal they made, their 23 per cent increase on average, that is about the most ridiculous proposition that I have ever seen. The TTC board of directors, the Toronto Transit Commission, has to bear responsibility for that. Mallette and Godfrey, who tried to outshout one another for a political gain, were using these workers as pawns for their own political purposes.

The member for St. Andrew-St. Patrick thinks this whole debate is irrelevant. He stood in his place and he said that we should not even be holding the debate. We should just come in, vote on the issue, send these people back as though they were not to be considered and that would solve the problem. Certainly it would solve his problem but it doesn't solve the problem of those people who have to go back.

Now you might suspect that the only people concerned with this strike are the residents of Toronto. Not so, Mr. Speaker. There is a thin tentacle of the Toronto Transit Commission right across this province through the Gray Coach Lines' exclusive franchises to Sudbury and Owen Sound and various other places in the province.

It is for this reason that the riding I represent has kept abreast of the negotiations down here. They know what is going on in Toronto because there are eight buses from Toronto to Sudbury each and every day. This represents several hundred people from my municipality who have been inconvenienced as a result of the bad negotiations which have transpired in this city.

I would like to read a resolution which was passed by the Sudbury NDP Association on Monday last, Aug. 26, 1974, which is its resolution on what has transpired. My leader has pointed out in very clear terms—I don't think I will take the time of the House to repeat all of his arguments; I agree with him implicity—that the negotiations breaking off was the result of the TTC not doing its job properly. The commissioners didn't care because they knew they had their friend, the Premier, backing them up, playing backstop, and that he would come in at the right time.

My leader also suggested that this might have been well orchestrated to elevate the Premier's white knight image in the city of Toronto, which has been tarnished lately, in the past few weeks.

The riding association of Sudbury passed this resolution:

> Whereas the Toronto Transit Commission has proved incapable of conducting its affairs, particularly in its relations with its labour force; and whereas the provincial government representing all of Ontario was drawn into the labour dispute in Toronto; thereby be it resolved that the Toronto Transit Commission be placed in provincial receivership until such time as the province can conduct democratic direct election of

all commissioners to the end that responsible public representation can be more directly challenged to maintain labour harmony.

One of the weaknesses of the commissioners is they are not directly responsible to the electorate or to those people who have to ride their trains. They are not directly responsible to those people who are hitchhiking on Yonge St. tonight. These people who are being inconvenienced by the intransigence of this commission do not have the right to vote and say who is going to run their service for them.

By the same token, those of us in northern Ontario who have to rely on Gray Coach for our communication with the rest of the province, have no say in what happens to the service as far as Gray Coach is concerned. Maybe there should be an all-encompassing board to take in all of the territory which is serviced by TTC, including Gray Coach. There is no reason why somebody from out of the confines of the city of Toronto shouldn't be sitting on this board because they are concerned, too. People from all these communities serviced by Gray Coach should also have a say in what goes on here and maybe a breath of fresh air might come into this great metropolis.

The Premier, who stands there wringing his hands, makes a great case for all of the old people and the hardship upon them. He is very concerned about them. One can tell the concern the Conservative Party has for this issue—just take a look at the empty seats over there; that is how concerned they are. They are not even interested in what's going on over here.

Mr. Gisborn: They have been empty since they introduced the bill.

Mr. Germa: Certainly. They have no more concern than the man in the moon has. It is all political gamemanship with this gang over there. Whatever will bring a vote they will do, regardless of how they trample on the rights of others; and when they will make slaves out of 5,700 people they are not doing the right thing.

They have determined, by bringing in this legislation, that here we have an essential service. The good and welfare of this province is at stake if we don't legislate these workers back on to the job. It has been stated before that if these people are so essential why doesn't the government pay them?

It has declared that the hospital workers are essential; why doesn't it pay them? Why are the hospital workers in 11 northern Ontario hospitals going out on strike on Sept. 2, Monday? They know the Hospital Labour Disputes Arbitration Act says they can't go out on strike. They are going. I attended a meeting Wednesday night in Sudbury. There were 500 of them in attendance. They are fully aware of what they are doing. They know that it's against the law for them to go on strike, but they know that they refuse to suffer any further.

The government is making criminals out of 2,000 people who are not criminals; 2,000 people who are only willing to give of their service in one of the nastiest jobs in this province, working in a hospital. Yet the government doesn't recognize the essential service. It starves them out, it forces them to be criminals by its idiotic legislation.

I don't know of any situation serious enough to make slaves out of people, which is precisely what the government is doing here today. It is enslaving 5,700 people, and they should take a look and they should examine what has happened to the hospital workers since compulsion was brought in against them. They haven't gone any place except down, and now they have to break the law to bring to the attention of the public that they are being maltreated. I suggest that the same thing is going to happen here. Any time you enslave people they will eventually find a way to get out of that enslavement.

I must say that the negotiating committee for the transit workers, Mr. Moynehan and company, have been very modest and moderate people. I think this government is lucky that he is from the old school and is willing to sit down and put up with the frustrations which have been brought to the bargaining table. I suggest that the next generation of trade unionists is not going to be as moderate as Mr. Moynehan and company. As these younger people come into control of the trade unions they are not going to put up with this kind of stuff. It is just thanks to Mr. Moynehan that he has been able to hold them in line, that they haven't gone out a long time ago.

As to bad faith bargaining, I've worked all my life for the International Nickel Co., and this is one of the most intransigent companies in the country, but nothing it has ever done has compared with what was done to the workers here. When you would go on strike and still have 142 demands unresolved, it tells me that something is wrong. Surely during negotiations you can get rid of some things.

I think here the government bears a lot of responsibility in that the union has found it necessary to include in its demands 142 items. These items are being fought at every bargaining table right across this land—thousands of hours spent on one particular issue which should be resolved by this government. I'd like to point out just a few of them, Mr. Speaker, that I think the government should legislate rather than have the bargaining table cluttered up with 142 items.

As far as I am concerned there should only be two items on any bargaining table. Those are wages and working conditions. Here we are with 142 items which have nothing to do with the work place, which should come as rights of people right across this province.

Item 25 as published in the Globe and Mail—I'm sure everybody saw the 142 demands—this ridiculous item right here says, and I quote: "Any member of division 113 on jury duty shall be paid his true value or minimum of eight hours for any day he is on jury duty." I know that item has been argued 10,000 times in 10,000 different union halls in 10,000 different contracts and it has nothing to do with working conditions or the work place. This government has to legislate things like that out of the bargaining table, because in order for a union, any union, to bargain for jury pay, you have to give away something else. You have to trade that off for wages. You have to trade that off for pensions. You have to trade that off for hours of work.

Why should a working man have to lose wages to do his public duty? We don't object to doing our public duty but we don't have to lose wages in order to do it. That's the kind of area where this government has missed the boat. Jury pay should be legislated across the province in legislation. Why does the government leave it on the bargaining table to be chewed out 10,000 times every year and people having to trade it off for something else?

Item 28: "Any man making out accident or incident reports shall be paid 15 minutes at the basic rate." As far as I'm concerned that's part of his job. Why does he have to bargain when he's at work making out an accident report while he was doing his job? If the man's on duty he should get paid. He shouldn't have to negotiate a thing like that.

"Men on compensable illness will have their full wages maintained." This comes down to the Workmen's Compensation Board and the Minister of Labour has control over that as well. The compensation legislation in this province is not adequate. We have to bring the compensation issues to the bargaining table. Why don't they legislate full wages when a man was injured on the job? These are the kind of things where the government has been weak in solving the problems. Why should the workers have to be so concerned with safety? Why isn't the commission concerned with the items of safety, as recited in item 47?

"Two men on subway trains at all times." That's strictly a safety factor. Is the commission not concerned with safety? Is this government not concerned with safety? It makes only common sense that there should be at least two men running an eight-coach train. One man just can't do that alone. For the safety of the passengers it's common sense that there should be two people on and that could easily be legislated and should be legislated.

There are so many items here, Mr. Speaker. Item 58 calls for proper facilities to be available at locations where work breaks are taken. These are elementary demands. Should there not be a place for a man to eat his lunch and a comfort station for him to do those things which come naturally? Where is he supposed to go? We shouldn't have to negotiate these kind of things.

"Overtime after eight hours." That goes without saying. Here we are, still negotiating overtime after eight hours. How does that came about, Mr. Minister? Where is his liberal legislation on this?

Here's another good one here—I think it falls into the safety item—item 67 in the Globe and Mail write-up: "On statutory holidays and special assignments, men who are forced to work late crews will be granted eight hours off before starting work the following morning."

I would hope that a guy driving my subway train had a few hours sleep before he came to work in the morning, and here they are fighting for eight hours off and if he has eight hours off he might get four hours sleep, because everybody just doesn't live right next door to the subway line. That's one of the safety aspects. That should be legislated, that no man will go to work unless he's had a rest period of at least eight hours.

I think item 85 is a protective device as well: "Protective shields behind drivers." It's a safety item.

An hon. member: It's about time we had a new commission isn't it?

Mr. Germa: "Bus stops. Within 90 days, to require more frequent painting of bus stop signs." What the hell has that got to do with labour negotiations? What's wrong with the commission that they don't know enough to paint their own signs? Are the workers running the TTC? If it weren't for them there wouldn't be a sign on the post. We wouldn't know where to catch the thing, but these people have to be reminded in 4½ months of negotiations they should paint signs.

Mr. Bounsall: That's one way to cut down the payroll.

Mr. Germa: "Street car heaters, trolleys and buses." These workers even want their streetcar heated now. Is that too much to ask? How about the patrons? I think they would like their streetcars and trolley buses heated as well.

There's nothing wrong with 109, "A casual employee shall receive the same rate as any other employee." Equal pay for equal work; that's pretty well standard policy across this land. Why not casual workers? Why does the union have to negotiate these things? Why doesn't the legislation just say equal pay for equal work in this province? If you are cleaning fish, you get a certain pay; if you are driving a bus, you get a certain pay, whether you are casual or not.

There are a couple more I would just like to talk about, Mr. Speaker. No. 116, applicable to Gray Coach: "Meal increase to $2; 48-hour charter, the first two meals are $2 and one on receipt." I would like to see the legislation passed that would control the members of this House to a $2 meal when they go on trips and then they would understand a little better what a bus driver is faced with when you limit him to a $2 meal. That's about a hotdog and a cup of soup and a cup of coffee, and that's what the government expects a man to drive all day on.

There are 142 items here, Mr. Speaker. About 120 of them should not even be on the bargaining table. It is within the realm of responsibility of the Minister of Labour, the Minister of Health, and various other ministries in this House to have legislation passed that would solve these problems.

All capitalist governments are the same, in that they set up this bargaining process under which the worker shall bargain against his employer. For the past 60 years the employer has had the upper hand and the worker has not got very far. Recently, with better organization, better union officers and better education, the work force is starting to win a few of the wars. We seem to think that we should have a piece of the action when it's the labour of the worker that creates the wealth.

This is where these capitalist governments get hung up, in that they want to change the rules of the game when they start losing the war. This is precisely what we are doing now, and it has come faster and faster. As I said, it has happened four times since this House came into being.

Some doubt has been created as to whether the workers in this case are going to accept compulsion. I know my leader has called for them to respect the law, but when laws are so ridiculous that they cannot be respected, then sometimes people have noplace else to go but to refuse to obey them. The hospital workers are not obeying the compulsory law as it is written. They are going on strike on Monday, Sept. 2, and I just wonder if this bill is going to accomplish what the Premier said it was going to accomplish—that is, get the wheels rolling by tomorrow morning.

I doubt very much that this bill is going to accomplish that. If it does accomplish it tomorrow or this weekend or by Tuesday, it might accomplish it, but I suggest to you, Mr. Speaker, we cannot continue in this vein. We cannot continue to force people back to work with a mailed fist. Eventually, this thing is going to react and the government is going to have anarchy across this province.

Mr. R. Haggerty (Welland South): Mr. Speaker, I rise to enter this debate relating to Bill 119, An Act respecting Labour Disputes between the Toronto Transit Commission and Division 113, Amalgamated Transit Union, and to support the comments put forth by the leader of the official opposition this afternoon.

Speaking to the comments of the Minister of Labour in the Legislature this afternoon, and presumably quoting his remarks, this bill will establish the machinery to get the parties back to the bargaining table and transportation services moving in Metro Toronto by tomorrow sometime, hopefully. I hope that there is a bus leaving for the town of Fort Erie sometime tonight so I can get back there for the weekend.

What the minister has actually introduced in the Legislature is compulsory arbitration. It has been indicated by a number of speakers this afternoon and this evening that this is the fourth occasion that the Davis government has interfered with the process of free

collective bargaining rights of employees and management in this province.

There appear to be no limits to the powers that the Legislature can constitutionally confer upon any so-called emergency labour dispute. Many trade unionists and organized labour unions in the province will question any unauthorized remedy for a crisis until all avenues of the Minister of Labour have been exhausted under the existing labour laws and powers delegated to him by the Legislature.

It has been indicated also this afternoon that the powers are there. What the Minister of Labour and his predecessor have been doing the last two or three months is questionable. I think the bargaining process, particularly between this union and management, has been going since sometime last May. Perhaps it wasn't until sometime in June or the latter part of August that some decisions from the management had been forthcoming on some of the suggestions in the contract under negotiation, to be applied in this particular case. It seems that perhaps 90 days' bargaining has been a waste of time by the union, and management perhaps hasn't dealt in good faith in the bargaining process.

This nonsense of government involvement in recent labour disputes, be it private industry or government services—and it has already catalogued a number of services as essential—has commanded this assembly to employ a remedy or seizure of power to effect a 12 per cent wage increase in hope of keeping the TTC in operation, or to regiment labour as oppressively as Hitler did during his army's crushing of Europe in the last great war, when he crushed the hearts and souls of many civilians in Europe.

It is most important to labour and management for the proper exercise of their function that a line be drawn between responsible autonomy and irresponsible autonomy in labour disturbances in this province.

The question in this labour dispute is how acute is the emergency calling for the passing of the bill by the Legislature today or tomorrow. I'm concerned not only as to the effects that the strike has on Metro Toronto, but with the needs of transportation services throughout the province of Ontario. Of course, I think there are a number of members here who are well aware that Gray Coach Lines does provide a service to other communities throughout the Province of Ontario, to northern Ontario, across Canada, and particularly to the Niagara Peninsula, which has certainly been hampered by the strike to date.

The question has been raised again as to the company or the management of the TTC having not bargained in good faith. Mr. Speaker, not to belabour the House any longer in this debate, the member for Sudbury has gone through the particular points of negotiation at the bargaining table. He mentioned a number of items that should not be included in negotiations. These perhaps are grievances that have been held over for a period of maybe a year or two years and I think legislation is required now to speed up negotiations. These small matters of bargaining process should not hamper the final stages of agreement between management and employees.

Mr. Cassidy: There is legislation, but the government won't enforce it.

Mr. Haggerty: As the member for Sudbury has stated before, the two most important items in a strike or at the bargaining tables are the monetary value and the safety factors. He's covered that very well. One should not have to go to the bargaining table to provide safety in any industry or any positions in the Province of Ontario. I have mentioned the question of new legislation before. I can recall, Mr. Speaker, on Nov. 29, 1973, I raised a question of the Minister of Labour—at that time I believe it was the member for Stormont—as to when new legislation would be forthcoming in the Legislature to update the Labour Relations Act and the regulations in the Province of Ontario. His answer was that the Minister of Labour is constantly having the Labour Relations Act reviewed at all times and a new approach would be forthcoming during the winter months. Apparently, the new legislation or new regulations are not forthcoming as yet, and as long as the Minister of Labour procrastinates on any final decision of bringing in new legislation we're going to have continuous labour disputes across the Province of Ontario. There are many improvements that can be made. The leader of the official opposition has suggested one, that a select committee of this Legislature should sit down with labour and management and with members of the Legislature and discuss some of these issues to see if we can't find some of the answers to speed up negotiations here in the Province of Ontario. Compulsory arbitration isn't the answer. Free collective bargaining is the answer and I think management in the Province of Ontario and industry will spell this out, that they don't want the interference of government. If the government moves in this direction they might as well go all the way and legislate

for all labour problems in the Province of Ontario.

Mr. Ferrier: How can the member vote for this bill then?

Mr. Haggerty: Gradually, you're taking this free enterprise system away from labour and management, the process of free bargaining. It's been eroded year after year. Every time a bill comes into this House labour is losing its hold, it's losing its free bargaining process. Not only labour, but management also. I suggest to the Minister of Labour and the Premier of this province that perhaps they should take the suggestion put forth by the Leader of the Opposition that a committee be struck now to review all labour legislation in the Province of Ontario to see if we can't come up with an approach to the problems of labour disputes here that can be settled without calling the Legislature back to legislate new laws to put the disagreement of the two parties back to the bargaining table. I suggest to the minister that steps should be taken in this direction.

There are other matters that do not deal with this particular bill, but are labour disputes that have been going on for long periods. I can think of one, the John Inglis company in Toronto, the Strachan Ave. plant, which has been out on strike for five or six months. One wonders what the Ministry of Labour is doing in this particular instance. I don't think they are doing too much. Very little is being done to get this plant back into operation. If the government doesn't move in some direction to give them some encouragement to continue with the free bargaining process, perhaps this plant will phase out in the city of Toronto.

I mentioned the rubber industry in the Province of Ontario, and the long delay in getting this type of industry, employees and management, back to the bargaining table. I suppose if one had to go out and buy a set of snow tires today they would tell you there's none available. You know what's going to happen when there is no production, the price is going to more than double. You talk about increased inflationary costs in the economy, strikes help cause it. The cause lies directly with the Minister of Labour. Perhaps he's not doing what he should be doing to get the bargaining process back to the table, to get the strikes settled and to get the economy rolling. I would suggest to the Minister of Labour that he move in that direction to bring in new legislation, or take the suggestion of the official opposition that a select committee be struck now to review all labour legislation in the Province of Ontario.

Mr. Speaker: The hon. member for Ottawa Centre.

Mr. Cassidy: Thank you, Mr. Speaker. I want to speak fairly briefly, in fact very briefly, about the bill.

I wanted to say first that at first glance the matter of the Toronto transit strike has not had a great impact on people in eastern Ontario or in Ottawa in particular. We are serviced long-distance by Voyageur Colonial coach lines which is not involved in the strike. Apart from a few travellers who come down to Toronto for various reasons and who have got caught in the traffic jams or in the problems of getting in from the airport, there has really been very little impact up in Ottawa, and for that matter in much of the rest of the province as well.

The Legislature once again has been called together in order to solve a problem which is a Metro Toronto problem because this is a government and Legislature which tends to be obsessed with Metro Toronto.

But there are some wider implications, Mr. Speaker, that I want to draw out fairly quickly, about what this piece of legislation means, and the pathetic little show we have had in the Legislature today means for the people of Ottawa because it could happen there as well as here. I guess the first thing is something quite unrelated with labour relations and that is the way in which the rights of a parliament, the Legislature of the Province of Ontario, are demeaned, debased and abused by the government and by the House leader, for reasons which are totally unnecessary.

We had an example of good faith bargaining, I think you could call it, between the Premier and the Leader of the Opposition and the leader of the New Democratic Party in which the Premier was seeking co-operation from the opposition parties to take this bill through all of its stages in one day. Whatever our opinions about the bill, there was regard I think in both opposition parties for the desire of the government to pass the legislation, and for an end to the dilemma in which government inaction had put itself by beginning or creating a strike situation rather than moving in long before in order to help to settle it. Therefore there was an agreement that was made in good faith. We find, however, Mr. Speaker, that the good faith

was shattered when Eric Winkler began to play his little games with—

Mr. Speaker: Order. The hon. member should refer to the minister by his correct name. That's not really proper.

Mr. Cassidy: No, it is important, though, Mr. Speaker.

Mr. Speaker: It is important but not proper language. Refer to the hon. minister by his correct title.

Mr. Cassidy: I am sorry, the government Speaker—and when he played his little games about forcing the Deputy Speaker to agree in some way—

Hon. Mr. Grossman: He never forced him at all.

Mr. Cassidy: What?

Hon. Mr. Grossman: The Deputy Speaker can't be forced to do anything.

Mr. Cassidy: Well, the tragedy is that the Deputy Speaker agreed, without even being forced, to accept that there would be no dinner break without a resolution from the House leader.

There was willingness on this side to co-operate, Mr. Speaker. We had even discussed it in caucus, and then the good faith was broken. We had a small taste in this Legislature of how the negotiators for the transit employees and the machinists' union and CUPE felt about the way in which management had dealt with them. I can tell you, Mr. Speaker, that it felt pretty rotten to have that kind of treatment from the House, as it has felt in the past, and I had some taste of the way in which negotiators must have felt with the way that they had been treated with such a lack of respect.

It demeans this House for the government to act in that particular way; it demeans the government to see there to be no trust between government and opposition, and it demeans parliaments everywhere when this particular House goes down the drain because of government action.

Mr. Speaker: Well, be that as it may. Perhaps the hon. member would please discuss the principle of the bill before the House.

Mr. Cassidy: My second concern, Mr. Speaker, which I was getting to—maybe your timing and mine are in close harmony tonight—is, as a number of other speakers from this side have mentioned, about the way in which this government is abusing labour relations in the province. That is particularly important for people who are workers, say, in Ottawa and eastern Ontario, because when it happens in Toronto or when it happens in hospitals or other situations around the province, it could also happen in eastern Ontario.

It hurts us all if a government which is responsible for maintaining a harmonious climate of labour relations in the province, fails. It hurts us all—we all suffer—if free collective bargaining is undermined because of intransigent management, because of intransigent unions, when that is the case, or because of neglectful or biased government actions.

In this particular case, Mr. Speaker, we are faced with intransigent management and one-sided government, a government which simply favoured one side rather than seeking to hold the ring and to permit, if not encourage, free collective bargaining.

The last member who spoke said there ought to be a law to get the guys back to the bargaining table. There is a law, the Ontario Labour Relations Act, which says the parties must bargain in good faith. Ample evidence has been given by a number of members, including the leader of the New Democratic Party, that there was not bargaining in good faith on the part of management in this particular set of negotiations. For four months negotiations ostensibly go on and yet not a single issue is resolved.

A lengthy list of demands was put in by the union. It may have been unrealistic, I don't know, but nevertheless at the beginning of any negotiating session it is quite common for a union to put everything including the kitchen sink on the bargaining table.

There were a number of real issues within the 142 issues put forward by the union and a number of others which may have been frills or window-dressing; I don't know. The point is, Mr. Speaker, that they were not dealt with substantively by the company and at every opportunity it made it clear that it simply did not wish to negotiate in good faith.

The workers and the trade unions of this province have come to expect they will get a deaf ear from the province if they go to the Ontario Labour Relations Board with a complaint about lack of good-faith bargaining. It has come to such a pass that in many cases they don't even bother to try. They know the procedures before the OLRB will be dilatory; that they will not get enforcement of the law; that they will not get the support of the Minister of Labour, whoever it happens

to be at this particular time. The new Minister of Labour, who is only a few months in office, it seems to me has failed to carry out any promise he might have had in coming freshly into the office because he failed to make any effort to ensure that the TTC bargained in good faith in this particular case.

What have we got? We have a government which in the field of labour relations is carrying out a series of ad hoc policies, and a government which in the field of public service employment is carrying out a series of ad hoc policies. All of us whether in our roles as citizens or as taxpayers or as the consumers of publicly-provided services in the province, are going to suffer because of the ad-hockery of this particular government.

If you want to take health care, Mr. Speaker, the government for years has stepped on hospital workers. It has compelled them to accept sub-normal wages and eventually the Minister of Health has agreed and got his cabinet colleagues to agree to a certain catch-up settlement for hospital workers who were cruelly exploited in a service which is pretty essential in the province. Eventually the Minister of Health gets that but where were the steps over the period of time for a fundamental reform of health care in the province in order to ensure that we got the maximum benefit from the work so many people put in to providing health care in Ontario? Where were the fundamental reforms in order to ensure that, in return for spending one of the highest amounts of gross provincial product on health of any society of any western jurisdiction, we got comparable care? Those fundamental reforms were not made, Mr. Speaker.

It is the same situation in the field of transit. Our government commits itself to transit in words but stands idly by while the situation between labour and management gets worse and worse, while management deliberately exacerbates the situation, presumably with the hope that one way or another it would get bailed out by the provincial government.

Those ad hoc policies of the government, Mr. Speaker, are going to backfire. Right now they are going to be reflected in provincial spending, in provincial taxes, which will probably be much higher than they need have been had there been fundamental reforms in the various services provided by government in order to ensure that the taxpayers got the best value for the work people were providing, while at the same time the workers were reasonably or well remunerated for the work they did. We are going to get rising deficits and we are going to get taxes that are very high because of ad hoc policies taken by the government. We also get—if I can come back to labour relations—a deteriorating climate of labour relations which doesn't just affect the TTC and its workers over the next two years, it affects everybody who is involved in the field of labour-management negotiations. It affects every trade union leader, it affects every employer, whether it is a private, a public employer, whether it is a private, a public or a semi-public employer, and it isn't just for a month or two months or a year, it is permanent. Because the more you undermine free collective bargaining the less of the institution there is left and, frankly, nobody has a better alternative. The alternative this government provides is a worser alternative, Mr. Speaker, and people will suffer because of what the government is doing to undermine free collective bargaining.

Mr. MacDonald: This government is worser than any other.

Mr. Cassidy: That's right.

Hon. Mr. Grossman: Worser? And he's a professor. Put that down—the professor said "worser."

Mr. Cassidy: I am a journalist and I use words that people understand.

Hon. Mr. Grossman: Professors don't usually do that.

Mr. Cassidy: I am also a professor and I use words that professors don't understand. Mr. Speaker, the third issue I wanted to raise was the question of what does this mean for a local government and local autonomy in government? Nobody has raised this particular point, but I am concerned about what the effective takeover of the transit negotiations by the provincial government actually means as far as the government's stated purpose of giving more responsibility to local government.

The government has made statement after statement, and we have had a whole regional government plan of the Treasurer, and the pitch has been constantly that you need to strengthen local government by creating two-tier regional governments, by creating new levels of government that are capable of taking responsibilities that would otherwise be centralized unto the province. So you take certain powers away from the little units and put them into big units, like the regional municipality of Ottawa-Carleton, or of Muskoka, or of Niagara, or of Hamilton, or of

Halton, or of Metro Toronto. Then these larger units, which are rather more approachable, it is said, than the province, will be able to cope.

But look what has happened here now. Here you have Metro Toronto and the TTC, which has been acknowledged as one of the finest transit operations on the continent, unable to cope and deliberately playing games, deliberately jeopardizing the future of a very good and a very fine transit operation and one that we should basically be proud of.

In other words, if any of the regional federations or any of the regional governments is capable of handling the decentralization of power from the provincial government, it ought to be Metro because it is the granddaddy of all the regional governments, it has been around the place now for more than 20 years. But look what happens.

You have the TTC, it now has a political board composed, as I recall, entirely of politicians, I think they took all of the appointed non-elected members off it apart from Metro chairman Godfrey. You have therefore, the board of the TTC, which presumably reflects the strongest if not the wisest elements in the Metro federation. But look how the TTC copes. It appoints its personnel director, Mr. King, it sends a flunkey, to carry out the negotiations with the union. One has to ask oneself, where was James Kearns, the general manager, during those 4½ months?

Hon. Mr. Grossman: It's not a nice expression to use for a civil servant.

Mr. Cassidy: What?

Hon. Mr. Grossman: It's not a nice expression to use for a civil servant, "a flunkey."

Mr. Cassidy: I am sorry, but that is certainly the way he behaved. He had to go back to the commission and they could never meet with the people who were responsible.

Hon. Mr. Grossman: If, as and when you get into power you may call your civil servants flunkies. We don't and neither does Metro.

Mr. Cassidy: I am saying that the commission of the TTC sent a flunkey because it sent somebody who did not have the authority to negotiate. Now, Mr. King may be a very fine person but he was sent as a flunkey because he did not have any powers to negotiate. He had to go back for orders, he had to go back to check absolutely everything—

Mr. MacDonald: The minister doesn't know what flunkey means.

Hon. Mr. Grossman: It wasn't meant to be complimentary, I know that.

Mr. Cassidy: It is proven by the fact that over the four months that he was in charge of negotiations nothing happened. Now, is that because Mr. King is incompetent? I doubt it. As far as I can see, that is because the instructions that he had from the TTC were simply not to negotiate in good faith and they would not give him the leeway to settle all these minor issues, to narrow it down to six or eight or 10 major issues which then could be taken up by Mr. Moynehan and the other chief members of the negotiating team on the union side, along with the members of the commission itself, or one or two members of the commission and the general manager, Mr. Kearns.

Where was Kearns? Where was Mallette, the chairman of the TTC and also a Scarborough controller and a Metro council member? Where was Chairman Paul Godfrey? They were absent during all this process.

Where was John MacBeth, the new Minister of Labour? Also absent. Where were his people? Also absent. Who was reporting to him? Absent. Or if they were present, their presence was not marked by any success in the negotiations. Where was the province seeking to ensure that the good faith bargaining provisions of the Labour Relations Act were being abided by? It was absent.

Now that surely is something else that my people up in Ottawa and in eastern Ontario ought to be aware of. That the municipal people here in Toronto blew it, and that the provincial people here at Queen's Park, both elected and appointed, blew it, and the responsibility has clearly got to come down to the elected people, first at the municipal level and then at the provincial level.

So it comes to a crunch. The TTC wants to come to a crunch. They are obviously courting a strike. They treat the union with contempt. A strike eventually transpires and then suddenly Paul Godfrey comes waltzing in, in order to look like the rescuer of the whole situation, and suddenly he will be the hero of the hour. He drags or brings in the Premier with him.

Was that intended, Mr. Speaker? We don't know. Was it intended that the Premier would have a coup in his hands, would be able to

send the men back to work in order to win another half dozen seats in Metro Toronto in the next provincial election a year hence? Would that be the particular idea? The Minister of Labour shakes his head and I guess he wouldn't agree to this publicly. Did Karl Mallette and Paul Godfrey and the Premier meet one dark night early in August and decide on the scenario?

Mr. Foulds: Or even one bright night.

Mr. Cassidy: That's right, even one bright night. Was there a rendezvous up at Honey Harbour where all this was worked out in advance?

Mr. Haggerty: Was the member there?

Mr. Cassidy: Were the Tories so worried about the fact that the leader of the NDP has been leading the Premier in popularity in the Metro Toronto area that they decided they had to come up with some grand coup which would allow the Premier to re-establish himself?

Mr. Turner: That's hardly the principle of the bill.

Mr. Cassidy: It doesn't seem very likely to me. But I really can't explain the whole succession of events which sees the provincial government take any kind of a conscious interest in this thing, only after tempers are flaring, after the strike has been under way for several days, and only then the province apparently begins to discover that the TTC had not been negotiating in good faith and that somehow there were still 142 issues on the bargaining table which had not been resolved.

The Minister of Labour has surely been in his office long enough to know, or his officials could have told him, that Godfrey's dramatic interventions were pretty useless, that the Premier's confrontation with the union people over a boardroom table somewhere in the bowels of Queen's Park was grandstanding and nothing more and would not lead to any particular impact. I'm sure that the Minister of Labour has learned from his officials that the great intervention of the Premier was too little too late, and had something like that been done earlier, as the leader of the NDP had to say, it might have had an effect. But when it came at that time it was simply a pitch in order to get headlines in the Toronto Sun and the Toronto Star and not a realistic kind of way to proceed.

I'm disturbed at the fact, speaking now as municipal critic, Mr. Speaker, that after 20 years of developing one of the finest transit systems on the continent, after 20 years of developing a municipal federation in Metro Toronto, which, for all of its weaknesses and for all of the abuses of power which it permits in the hands of the likes of Paul Godfrey, is still for better or worse one of the best municipal governments that exists in the north American continent, after all that, that we see people the like of Karl Mallette and Paul Godfrey and the Premier and the Minister of Labour, and the Treasurer I suppose, and the Minister without Portfolio (Mr. Irvine), who also have some responsibility for the Metro federation, allowing that kind of developed transit system and developed municipal government to be abused for tawdry and small and short-term political purposes by the people that I've named. That simply does not seem to me a justifiable use of the apparatus of government that has been developed over that period of time.

The government comes waltzing in at the last minute in order to make headlines but it is not serious about making good faith bargaining work. At the time when their intervention or their coaxing—a few phone calls and that kind of thing—might have had a real impact, when a small amount of pressure might have turned these negotiations around, the government was absent. Therefore, they come in now after 19 days of a strike and they say, "Now we will use the powers of the Legislature, the powers of Eric Winkler, the powers of our 86 members in order to force the bill to the Legislature, force the men back to work, force a settlement, undermine free collective bargaining."

As a municipal critic, I'm concerned about the fact, Mr. Speaker, that the undermining of local government isn't just in the politic posturings of Godfrey and Mallette et al. It is also in the fact that the Metro federation is emasculated by its lack of financial resources. Therefore, the question of who paid the piper for this particular settlement was, in effect, shoved by them up the tree, up on to the lap of the provincial government.

Just recently there has been a report from the Metropolitan Transportation Plan Review which says specifically that there may be very serious problems about the major increase that is forecast for expenditures in transit and transportation in the Metro Toronto area. The current expenditures are due to double from $133 million in 1971 to $300 million, in 1971 dollars, a decade hence in 1981, and that money has got to come from somewhere. It comes from taxes, it comes from the property

tax, it comes from provincial subsidies and it comes from the fare box.

There is no long-term planning between the province and the Metro federation about how those kind of expenditures are going to be met, and there is no long-term planning about the future financial stability and financial development of Metro Toronto. Metro Toronto has got a regressive, slow-growing financial base and therefore it's very difficult for Metro Toronto to negotiate freely with the transit unions when it may be putting forward dollars that it simply doesn't have to offer because of the other constraint of the province—which is one that we don't disagree with—that is that future revenues should not come from increases at the fare box.

So, what do we have? We have a financial system that makes it terribly difficult for municipal government to make responsible decisions, despite a government which says that it wants to allow municipal governments to make more responsible decisions and to decentralize power from Queen's Park; we have a bunch of politicians at the municipal level who shove the problem upstairs to Queen's Park, and we have a bunch of politicians at the provincial level who refuse to enforce good faith bargaining and who posture and grandstand and eventually use the powers of this Legislature, when they could have intervened and helped in a very quiet kind of way a month or month and a half ago to ensure that this strike would never have occurred, because it could have been resolved by free collective bargaining.

Mr. Deacon: I was looking for the other man on the list but he's not back here yet.

Mr. Speaker, I rise to support the bill. It's a sad occasion for all of us that we are doing it, but the Ontario Legislature has no recourse at this point but to correct the results of bad labour legislation and a bad local authority situation in this province. The need we have is to return to local autonomy, where those who are in a position to run things locally definitely have the powers and the resources to run their show without coming to us continually for direction. The need for legislation that removes the stalemates, the conflicts, the confrontations we've seen in this and similar situations is something we must certainly turn our attention to when this bill is passed.

The situation today reminds me, and I'm sure all of us, of the situation a few months ago when a stalemate in negotiations resulted in a very great deal of cost to the students in York county, when there had been plenty of talk but little listening and little action in a constructive way over many weeks.

The merits of the case put forward by the union had certainly been well illustrated prior to the time of the breakdown of negotiations by the difficulty that the commission had had in attracting drivers. The wages and the working hours of 13½ hours away from home, in effect, for an eight-hour day certainly caused harrowing problems. This in itself indicated that something had to be done in order to correct the situation. When one cannot attract people to the work force, whether it be for cleaning a hospital or picking up garbage or driving a bus or whatever it is, when one sees there is difficulty in hiring one knows there is a real need for and real merit in changes in working conditions and pay.

That was the case in the situation with the TTC in Toronto. The delay from April 23 to July 17 in getting a counter-offer to the union was certainly inexcusable. We know well from the history of any study of labour negotiations that one of the prime causes of work stoppages is aggravation of that sort, when management or labour do not come back with their counter offers. They consequently appear to delay the efforts and it is usually management's fault in situations of that sort.

We are disappointed frankly. I can say this to the Minister of Labour—I am really disappointed that the results of his department seem to be far less significant in the weeks they were working, or the time they were working, than those for the few days a group from the city council, including the mayor, worked. It seems to me there needs to be a revision in the approach we take in these negotiations so that we can actually find ground for settlement much more expeditiously and in a much better fashion than was the case this winter with the teachers, and in this case with the transit workers.

I was interested when the member for Sudbury mentioned the widening spread between wages at the lower and upper scales. How can we have it otherwise as long as we work to just percentage increases? It shouldn't be on the basis of percentage increases; it should be definite dollar amounts of increases because as long as we consider it only in terms of percentages we are going to widen the spread. It is bound to be the case.

We all know that although there had been a tremendous gain in the position of the working people in this country in the post-war period, in the last two or three years there has definitely been great difficulty in keeping up with the inflationary disease we have

caught not only in Canada but throughout the world. We have caught that inflationary disease here in Ontario particularly with the rapidly rising cost of housing which we have experienced in the last few years—it is far faster than anywhere else in the country—and with inflationary spending when our budget deficit in this province is double that of the federal government itself. It certainly shows there has been little evidence of any effort on the part of the Ontario government to control one of the major causes of labour disputes today.

Insofar as the matter of local autonomy is concerned, about which we speak a great deal in this party, Queen's Park continues to give grants on the basis of percentage instead of unconditional grants. The grants are conditional on a percentage which gives no incentive or no autonomy to people, the local authorities, to work for savings or efficiencies because, after all, the province gets the benefit of its percentage of any saving achieved. It also takes the position that it has some say in how the money is spent. This means we have two bosses and the upper boss, in this case the province, is always going to be the one that, in the end, is going to have to take over. In both the case of the teachers and in the case of the transit workers, it is having to take over to settle the disputes because we haven't definitely left the authority and the responsibility, through unconditional grants, with the local people.

I want to move into this whole question of free collective bargaining and the need for us to find really new approaches in our labour legislation in Ontario to eliminate the causes of the breakdown in negotiations which are so prevalent.

If we look at the causes of breakdowns, one of the prime causes has been, as I mentioned before, the protraction of and the ways of negotiation. I think we should think about adopting US legislation whereby as soon as a contract has expired, the workers can enter into a legal strike. There's no question about delay and all kinds of procedures before they can go on strike; management realizes that the day the contract expires it has to have a new contract or it can face a work stoppage. We have to stop this playing around in negotiations and eliminate this very aggravating cause of annoyance and build-up of distrust and feelings between management and labour. The second thing I think we have to recognize is the one the member for Scarborough Centre brought out. That is the need for actual union representation on the boards and commissions. In Germany, there is a law whereby corporations have to have union representation on their boards. Companies which have appreciated the contribution these representatives can make have had exceptionally fine results.

I was amazed a few years ago when I saw the set-up of the rail commuters study for the Toronto area, and found we had representatives from Metro, from the federal government, from the provincial government and the CN and the CP but we didn't have one representative from the unions involved. Yet they are the ones who were blamed for it being impossible to run commuter service profitably in this area. They said it was the unions' fault and yet we knew that the unions wanted to have more employment opportunities for their members. We knew the unions wanted to have commuter service developed yet we failed to have them included in a study to work out how we could improve commuter transportation in this area.

Why don't we do the same with our TTC? Why don't we bring in labour legislation which says Ontario corporations shall have to have representation from their unions on their boards, because it is working elsewhere. We are making labour a partner with management and customers and producing a better product and being more efficient.

It is time we got away from this idea that they have to be apart. They can be brought together at an early stage and we can eliminate some of the causes of breakdowns in understanding and breakdowns in sense of trust which cause the work stoppages. A third thing I hope the ministry will start to introduce in labour legislation is that we try the final offer selection approach to labour negotiations. Management and unions have been very sceptical about this but it has been working for a long time in the Tennessee Valley Authority. It has been attempted in other cases but there must be a conviction on the part of management and labour that we have failed with our present approach.

The present approach is we have to be protagonists; we take the approach that it's a class war and we have to have two sides, the workers fighting the management. If we can't find a different way or realize we have to be partners, we are going to be in trouble. The final offer selection approach involves each side presenting its case in a way that justifies what it is asking for. The sides are trying to present their cases so each knows its case in total, just as before a judge in a court, will be the one selected.

Mr. Lewis: By whom?

Mr. Deacon: By the arbitrator.

Mr. Lewis: Then what is the member talking about? He is talking about effective compulsory arbitration.

Mr. Deacon: No, I am not. They decide before they enter into this if they are going to agree to arbitration or not. It is decided whether they want to go the strike route or try the other and any person who has had experience in this will realize—

Mr. Lewis: They can do that now. They can go the voluntary arbitration path.

Mr. Deacon: —a final offer selection—

Mr. Lewis: A final offer selection is frankly rubbish.

Interjections by hon. members.

Mr. Deacon: —more and more and realize we have to go that direction. Don't think the public in this province is prepared to put up with the inconvenience, with the cost, the expense, the waste—including the ordinary working man who is having the inconvenience today with this strike—don't think they are prepared to have this carry on without at least trying something that's working elsewhere. It's time we did it.

Mr. Lewis: Look to somewhere other than the United States for the solution.

Mr. Deacon: How many times must I mention there's only one place where it has worked and it has worked there for about 35 years. Because traditional management and labour, with their antiquated approaches, refuse to really try to make it work, we have this continued tendency to have polarization, extreme positions, and the thought that maybe the more extreme the position a person maintains at the time of arbitration or breakdown, the more likely that the settlement will come in their direction.

Mr. Lewis: The member is supporting this extreme today.

Mr. Deacon: We are supporting a move which the NDP leader and every person in his party knows is necessary. It is absolutely necessary for us to remove the chaos in this city of Toronto today. It is necessary that this Legislature and this government will appoint a committee, as suggested by the Leader of the Opposition, that not only consists of members of this Legislature but also some leaders in union and management who aren't members of the Legislature, who have had problems like this, to see if we can't come to a better solution and better legislation. It is time we realized that what we are doing now is just putting out fires and the fires are going to be much more frequent in the future, especially at a time of serious inflation.

What is bringing Britain to her knees today, and other countries, is the result of this continued confrontation, the continued war between the so-called working class and management, and it is just a matter of time before people are going to be forced to either find new approaches or come to their knees. I think it is time we stopped holding to these ideas—

Mr. Lewis: What ideas? Just allow the system to work, as it can. The Liberals just join with those people over there to subvert the system.

Mr. Deacon: I am amazed at the member with his experience—

Interjections by hon. members.

Mr. Deacon: —his unproclaimed efforts to try to improve things, that he hasn't recognized that the course we're continuing to follow is just increasing the division between management and labour.

Hon. Mr. Grossman: The system is a good one, but it doesn't work all the time.

Mr. Deacon: I just hope that maybe the NDP will realize before it is too late for that party that the people of this province want a new approach to labour-management negotiations, and certainly this party is one that is going to be working continually, even though it hasn't been tried in Canada maybe, we are still going to try new methods wherever they have been tired and have succeeded, or develop new ones on our own that will work.

Mr. Lewis: I understand, but the member's new methods are gimmicks.

Mr. Deacon: They are not gimmicks at all, they are efforts—

Mr. Lewis: They are just a distraction.

Mr. Deacon: —to build a different approach to what the objective is, to build a team which will produce better working conditions, better products for customers, better profit returns for the shareholders. That is something that isn't idle talk, it is possible

and only possible if we have government that gives leadership in that direction.

Therefore, Mr. Speaker, I am sadly supporting this bill—

Mr. Martel: I see the crocodile tears.

Mr. Deacon: —but I am hopeful, though, in our wish to eliminate future situations like this, that we will receive leadership from across the floor in setting up a commission to make a report on new methods to deal with such situations before they arise.

Mr. Speaker: The hon. member for Nickel Belt.

Mr. Laughren: Yes, Mr. Speaker, I couldn't resist speaking on this particular bill, having come 1,200 miles or so for this session.

Hon. Mr. Grossman: Try hard.

Mr. Laughren: But even if I had only come from across the street, after hearing a member of the Liberal Party describe collective bargaining as class war, I would be moved.

Mr. Deacon: He is quoting his own man. The member for Sudbury said that.

Interjections by hon. members.

Mr. Laughren: Of course, I am comfortable with that, but I am surprised that a Liberal would let those words cross his lips.

Mr. Foulds: We would like it to be a partnership.

Mr. Laughren: That is right, we would like it to be a partnership.

Mr. Lewis: A commonality of interest.

Mr. Deacon: They don't like any commonality of interest.

Mr. Lewis: There is some commonality, yes, but there are legitimate differences.

Interjections by hon. members.

Mr. Speaker: The member for Nickel Belt has the floor.

Mr. Laughren: Thank you, Mr. Speaker.

An hon. member: The government is on the defensive.

Hon. Mr. Grossman: You'd never know it by looking over there.

Mr. Laughren: Who is the minister to talk, I ask him?

Hon. Mr. Grossman: I hope the member never dies. I will never be the shortest guy in the world.

Mr. Laughren: That is uncomplimentary. He should just say he hopes he dies before I do, that's all he should say.

Interjections by hon. members.

Mr. Speaker: How about the bill?

Mr. Laughren: Yes, Mr. Speaker, as a member from the mid-north in Ontario I hope to give some perspective to the debate, because we do not view the problem of rapid transit in Toronto with the same kind of passion, I suppose, as those people who are directly involved in it, and whose constituents phone them daily perhaps to resolve the problem.

I can tell you, Mr. Speaker, that there were no vibrations in the Sudbury area when Sudbury transit was on strike there this year, and there was never any hint that there would be a problem.

Mr. Givens: Did the member have a strike in Sudbury?

Mr. Laughren: There are two million people in Metro and there are only 100,000 plus in Sudbury, but they are still individuals who require public transit to get to and from work just as they do in Metro Toronto.

For that reason, Mr. Speaker, we members regard the issue and this bill from a different view. We regard it not so much as a public transit bill but more as a bill that deals with the whole question of collective bargaining, and the whole question of whether or not there is good faith bargaining occurring in this case. Really, we do not regard the issue as being one of public transit or public health or safety being at stake, but really a question of to what degree—

Hon. Mr. Grossman: If the member doesn't think so he should live here for a little while. That's ridiculous.

Mr. Laughren: —to what degree the public can be inconvenienced by a strike of the public transit.

Mr. Deans: What's the matter? Couldn't the minister's chauffeur get through the traffic?

Mr. Laughren: I really feel sorry for the Conservative cabinet ministers in their air-conditioned limousines.

Hon. Mr. Grossman: Of course it wouldn't be the same problem in Sudbury. That's absurd. The member is not here to worry about me, he is here to worry about the 2½ million people in Metro

Mr. Deans: Is the minister not one of them?

Mr. Laughren: He isn't worrying about any of them.

Mr. Speaker, the other question that is at stake here is the whole question of motivation in this issue. We have heard throughout the day the question of to what extent the TTC was bargaining in good faith in the beginning, what role the chairman of Metropolitan Toronto played in the bargaining, and of course just what it was that has motivated the Premier to bring in legislation at this time rather than lending his support a month ago when it could have accomplished something and would have prevented the necessity of this emergency debate.

It is obvious to us that this need never have happened if there had been good faith bargaining. It is also obvious that the people involved at the TTC and the Premier are strengthening their own hand in this whole issue and we find that most offensive.

We also know of course, as most people do who seriously look at compulsory arbitration, just what it means in a labour dispute when compulsory arbitration is on the horizon. It is generally conceded by now that as long as compulsory arbitration is on the horizon, that is when good faith bargaining stops and neither side is willing to give up anything and so compulsory arbitration occurs.

So, in light of this, how is organized labour to know where it stands? Whether you are talking about organized labour in the form of a trade union or in the form of an association such as the CSAO, how is it to know where it stands in any dispute with the employer? Whether you are talking about the hospital workers or the teachers or the civil servants of this province or the transit workers, they just don't know. It means, of course, that collective bargaining will not be carried on with the same degree of commitment to finding a solution that you would have if you did not have that spectre of compulsory arbitration hanging over the negotiations.

It is fine for the Premier to sit there and smugly count the number of inconvenienced people in Metro Toronto as he brings in this legislation, but he is overlooking a growing number of people in the Province of Ontario who see themselves as being threatened. It is worrying a lot of working people and a lot of trade unions as they see the increasing reliance on what is critically expedient, and that is resorting to compulsory arbitration which subverts the whole collective bargaining process.

The rather maudlin references to the elderly people are truly offensive. The Premier has had lots of opportunity to help elderly people in this province and he takes this opportunity to shed his crocodile tears.

Mr. Speaker, the minister himself is very proud of how seldom legislation is required to settle a dispute. He might do better to reflect on the larger question of why a dispute like this reaches this point; why is it that an impasse like that can be reached. He might be surprised to find out that it's not simply money. He might be surprised to know, for example, that when the civil servants slap on the bumper stickers that say "Free the servants" they are not talking about freeing the servants from insufficient salaries alone, they are talking about freeing working people from restrictive legislation.

Perhaps he should think more seriously about what it is that his ministry can do in the Province of Ontario to make trade unions have more say in the operation of whoever they're working for. The member for Scarborough Centre talked about having a union member on the commission. That's a step in the right direction. He talked also of having commissioners ride on the public transit. I agree with him entirely. For example, I would even make it mandatory for the Minister of Transportation and Communications in Ontario never to set foot in an airplane. If he wants to go to northern Ontario, he drives. It might open up his eyes as well.

I think that when the whole question of disputes in the public sector in particular is going to arise in the next year, the Minister of Labour should seriously look at what it is that's at the root of the problem. We sit here and we see him hacking away at the tip of the iceberg while the real issues are submerged and he's not reaching them at all. Until he gets serious about what it is that's causing this kind of alienation in the work force he's going to continue to have confrontations, he's going to continue to have strikes, he's going to continue to have this kind of legislation that destroys the collective bargaining process.

I'm very concerned to see the government becoming promiscuous in its use of compulsory arbitration. It's aided and abetted, not only by its majority, but of course in the full knowledge that the Liberal Party will always

support compulsory arbitration, unless, of course, it's for a group with whom they're trying to curry favour such as the teachers of the Province of Ontario.

We in the New New Democratic Party view the problem differently of course. We believe that the interests of collective bargaining in Ontario will be best served by enforcing the good faith bargaining section of the Ontario Labour Relations Act. In this dispute that good faith bargaining has not occurred and for that reason we must oppose this bill.

Mr. R. F. Ruston (Essex-Kent): Mr. Speaker I will just partake in this debate very briefly. As the fellow says you're damned if you do and damned if you don't but I feel that there are certain responsibilities that when a member is elected to this Legislature he must act upon.

This week I had a radio station call me and ask me what I thought of the rumour that the Premier was going to call the Legislature back. I said: "Well I'm always ready to act as an elected member when public necessity calls and I would be prepared to go if the necessity is there. But I think, in this case, it was not at all necessary."

In following the Toronto papers as often as we get them in our area, and not being in the city too much in the last couple of weeks, I have come to my own conclusion that bargaining was not done in good faith. When you see that the union made its offer on April 23 and the TTC would not give a counter offer until July 17, one cannot but believe that there certainly was no worthwhile bargaining going on at all.

I spoke with my son yesterday, and he is the chairman of the local union where he works. I told him that I had to go to Toronto because the Legislature was called and asked him what he thought of the situation, since he's also in transportation. He said: "Well, I'd rather not be in your position, but that's something you have to decide. If public necessity is great enough, then that is your responsibility to decide which way you have to go."

In looking over negotiations and wage scales in the public service, having worked for 10 years in the federal civil service, I found that negotiations in that department were very, very poor At that time we had an association, and pay scales ran until Oct. 1 each year, if I remember correctly. About the following September, about 11 months later, they would finally come to an agreement as to what your pay scale was for that year and you'd get your retroactive cheque for the 11 months. If that's some of the way in which negotiations go on in the public service, it is no wonder you have discontent and strikes.

I was just reading in the paper the other day where, in Windsor, three small plants settled their new agreement three months prior to the end of the old contract. It gave the companies an opportunity to set out their work load for the next two or three years and price it and so forth. They knew where they were. So it shows you that if there is good-faith bargaining agreements can be made before the contract runs out.

We have the recent strike, of course, at the Union Gas Co. That was one of the longest strikes in Ontario, in which Union Gas really didn't do any negotiating for about 3½ months. I think management had its mind made up that was going to be a long strike and they could wade through it.

So what I think we need is some form of tribunal or government agency to check as contracts near termination, at least three months before the termination of a contract to see that the union and management join in negotiating. It would seem to me that the government could set up some tribunal of this type to check into these matters and see that the parties are negotiating; and after so many weeks, if one or the other doesn't make a fundamental offer that looks reasonable, then I think the government would have to step in and in some way try and force them to at least negotiate in good faith.

I have been in negotiations with county employees, as a member of county council, as chairman of the personnel committee for a year or two. We negotiated a number of settlements with county employees. I can recall that we did have a conciliator down from the labour department and we discussed our proposals with him and he would make—

Mr. Lewis: Did the member go to their dances like the member for York-Forest Hill?

Mr. Ruston: Oh I think I did, probably. I like to dance, so if there was a dance going I think I'd be there.

Hon. Mr. Winkler: Does the member for Scarborough West like to dance? Does he like dancing?

Mr. Ruston: We would make counter offers to the conciliator, and he would then go into the room where the union representatives were; and in a day or two, why, we came to an agreement.

Mr. Deans: Is that how it is done?

Mr. Ruston: I would think that this is how to do it. If, say, the TTC had made a reasonable offer to the union right after they made their proposal and then they sat down and started pounding it out.

I suppose someone did mention the federal labour minister. I would like to see someone like Bruce Mackasey at the head of the table; I think he could pound the table a little harder and speak a little louder than our present Minister of Labour. Although I will say that our Minister of Labour is a fine gentleman, maybe he doesn't have the power and the force to make them listen to him. Because you sometimes have to say it a certain way or they don't listen to you. I think maybe that's what we should have had here, a little more pounding of the table by someone telling the TTC that they had to get down to serious bargaining.

Mr. Speaker, I was just out a few minutes ago getting some gas in the car and so forth, and when I pulled into the parking lot the first thing that the gentleman running the parking lot wondered was when the strike was going to be settled. He didn't have room for all of the cars and they were parked on driveways and everything else.

I went into a store and because one of my friends here gets a little hungry about midnight I picked up a few chocolate bars. He said, "Well, I guess the strike will be over by midnight, eh?" I said, "Well, I don't think so but is it of that much concern?" He said, "Oh, yes, it's terrible in the city."

Well, I just ran across two people and they both are terribly concerned, so there's no doubt that there are thousands in Toronto who feel the same way when you only run across two and they both speak out about the problem.

Mr. Deans: Did the member take a Gallup poll?

Mr. Ruston: That's 100 per cent, I suppose, in a Gallup poll. If you wanted to say it, I guess that's the way some of the polls are taken, too, really. I would think that that's the way some of the polls were taken in the last federal election. I think mostly that they were reporters sitting back talking to one another but they didn't go out and listen to what the people were saying out on the side streets and in the rural areas and all over the province.

Mr. Haggerty: Ask David Lewis, he knows.

Mr. Ruston: That's probably what happened in those polls and they were probably not even conducted that well.

Mr. Ferrier: What has the member's constituent from Chatham got to say about it?

Mr. Ruston: However, it is interesting, too to look at the pay scales. I think Mr. Whelan, the Minister of Agriculture, has a habit once in a while of speaking out on certain things. He said he didn't know why a man producing food shouldn't get paid as well as a man putting a fender on a car. I would suppose there is no reason why a man driving a city bus or a subway train or a streetcar shouldn't get paid as much as the man putting the fender on a car. He has the responsibility for 50 or 75, and in the subway it may be 1,000 people, and why he shouldn't he get as much as the man putting a fender on a car?

We seem to think nothing of buying a car and paying the price. Companies are talking about raising the prices, and I suppose they will still sell. Maybe our priorities are all wrong. We don't seem to complain about the things that we don't really need, but the necessities of life we seem to complain about when somebody feels that he needs a fair wage.

I think that's really the main point I wanted to make, Mr. Speaker, and I think that if two sides want to settle the strike, provided everybody is bargaining in good faith, it can be done.

Mr. Speaker: The hon. member for Port Arthur.

Mr. Foulds: Thank you, Mr. Speaker. I rise to oppose the bill. We do not merely in a ritualistic way, as the press has implied this party would do, but we do so in a profound and very real way. Over my three years as a member in the House, I have been very proud of this caucus, because on every single occasion in which compulsory arbitration has been brought before it, we have fought against it with every legislative means at our disposal. I could not in all conscience, and I cannot, vote against compulsory arbitration for elevator workers, for teachers, for civil servants and for hospital workers, and not vote against it on this occasion when it affects transit workers.

If I could paraphrase something I said in a different context last December, we oppose Bill 119. We oppose it because in principle we oppose compulsory arbitration. We know that in opposing the bill we may not be taking

a popular stand. We know that the public feels more comfortable with its buses and transit system running. We know that the editorial boards of the major Toronto dailies are relieved, in fact eager, to see compulsory arbitration imposed on the transit workers.

However, we feel as a matter of principle that we cannot allow the transit workers to be made victims of a heavy-handed and dictatorial government. We know we must oppose any attempt by this government to take away the rights of individual minority groups within our society, because once it is possible to do that to transit workers, it is possible to do that to other workers in the public sector. Next it will be workers in the private sector and it may extend even to so-called privileged groups in management. If we give up this fight without a battle it becomes easier and easier for this top-heavy government to deny individual groups within our society their due rights with less and less responsible reasons.

That is a paraphrase of something I said about the teachers' dispute last December. It applies even more readily to this dispute because—the record shows it, Mr. Speaker—it has become easier for this government to bring in compulsory arbitration legislation. It has got into the habit and where does one draw the line?

Does one draw it at the Toronto transit system or at the St. Catharines transit system or the Kitchener-Waterloo transit system or the Thunder Bay transit system or the Kenora public transit system? Is this public transit system essential only because it is in Metropolitan Toronto? I suspect that is the way the government thinks; that is the way it works. It is unable as a government to decide anything except in quantitative terms. It feels this strike must be settled by this method because of the numbers involved.

I want to remind you, Mr. Speaker, and through you the government that a bad law is a bad law whether it affects 6,000 people, 600,000 people or six people. A bad law is still a bad law even if it benefits 600,000 people but takes away unnecessarily the rights of a minority group won through hundreds of years of bargaining; a labour group in this case.

This law is unnecessary. If the initiatives my leader and other people in this party have mentioned had been taken this law would be unnecessary. If there had been a genuine expediting of good-faith bargaining, this law would not be necessary. The essence of a democracy, Mr. Speaker, is not that the majority rules but that the minority's rights are protected. This, after all, is a legal strike. It is a right that this Legislature has given those people.

Mr. Lawlor: Is the House leader listening? That the minorities' rights are protected on occasion?

Hon. Mr. Winkler: I am the greatest protector of minority rights.

Mr. Foulds: Not in this House he isn't.

Hon. Mr. Winkler: Anywhere.

Mr. Foulds: And not in this province.

Mr. Laughren: He abuses them consistently.

Mr. Lewis: He protects the fat cats, that's what he does. They are a minority group.

Mr. Martel: They are a minority group but they get all the money.

Mr. Lewis: That's what King said; does the minister recall that?

Hon. Mr. Winkler: I can tolerate these fellows. What else can one put up with?

Mr. Lewis: There are far fewer rich than there are poor. They are easier to protect.

Mr. MacDonald: As a matter of fact it was Sir John A. Macdonald.

Mr. Lewis: Was it Macdonald?

Mr. Speaker: Let us get on with the bill, please.

Mr. Foulds: How is it, Mr. Speaker, that this ministry and this government could allow such blatant bad-faith bargaining to continue over such a period of time? For God's sake, Mr. Speaker, isn't it about time that this government, through its Minister of Labour, took seriously its responsibilities to protect the rights of labour? Surely it is about time that good-faith bargaining clause, section 14 of the Labour Relations Act, began to have some meaning?

Who is it in this province who speaks out for the working men and women of this province? Interestingly enough, it is not the Minister of Labour even though we respect him as a person. He does not conceive of his position—and this government does not conceive of the position of the Minister of Labour—as speaking out for and protecting the rights of the working men and women of this province. If the minister feels it is necessary to act in this strike, and if this government and the Premier feel that it is necessary to act in this strike—

Mr. Martel: Billy the Kid.

Mr. Foulds: —why haven't they acted in a strike like the one that is taking place in the medical clinic at Fort Frances? Why hasn't the Premier of this province done something about the 1,700 letters that he has on his desk from the citizens of Fort Frances asking that alternative medical facilities be provided to the people of that community, so they are not forced to cross the picket line to receive medical attention?

Mr. Martel: That's the corporate set-up.

Mr. Foulds: Why doesn't this province do something to establish a public medical clinic in Fort Frances, so that the people do not have to pervert the collective bargaining process? Why doesn't the minister put the screws on the management in that case?

Mr. F. A. Burr (Sandwich-Riverside): Because they are doctors.

Mr. Laughren: They are the fat cats.

Mr. Foulds: Is it because an intervention in that particular strike will help the union and the workers? Why is it that the Attorney General (Mr. Welch)—who is also the Provincial Secretary for Justice—and the Solicitor General (Mr. Kerr), why is it that they allow the Crown prosecutor in Fort Frances to administer the laws in one way against the union representatives when an infraction is called, and not against the management in that case?

Well, I'll tell the members; it is because the crass bias of this Conservative government shows in labour disputes and in disputes like the one we had before this. Their bias, whether they understand it or not, Mr. Speaker, is instinctively against the working men and women of this province; and it is even more so against the worker in the public sector.

Mr. Laughren: It's instinctive. It's part of being a Tory.

Mr. Foulds: Frankly, I find that understandable, even if I don't like it. But what really upsets me, what I really find repugnant, is the sanctimonious terms in which they cloak their actions. We must admit that in their party they do that very cleverly. They get a lot of assistance from headline writers and editorial writers in papers like the Globe and Mail. When you have heart-rending headlines like this one in the second section of the Aug. 27 Globe and Mail: "TTC Strike Means Fewer Aged, Children At CNE."

That really strikes to the fundamental core of why we have to end this strike.

Mr. Gisborn: Saves some of them from getting gypped, that's all.

Mr. Foulds: Within the body of the story there are a couple of interesting comments:

> The strike has resulted in about half the normal number of children lost daily.

Surely that is something we should avoid. We have to lose more children at the CNE. It is a mark of success. For instance, on Children's Day, normally, there are 600 lost, but this year there were only about half that number. What a pity! What a shame!

Mr. Lewis: That's what we are dealing with.

Mr. Foulds: It is very cleverly organized, very cleverly orchestrated – children at the CNE. Then there are the elderly the Premier was speaking about a day or two ago.

Mr. Martel: They worried about the CNE games.

Mr. Foulds: School children on Tuesday—tugs at the heart strings. There is a story in one of the papers I managed to get hold of today. This is it. This is a classic, beautiful remark by the Premier:

> Meanwhile, Davis speaking at a press conference said he would "leave no stone unturned" to get the 5,900 striking transit workers back on the job.

Well, you know what, Mr. Speaker? He unturned that stone and you know what he found under it? A little tool, a little club, a little snail, a little slug, that he has used four times before. He has picked up the stone and he said: "What do you know, compulsory arbitration!" And he clubbed them while he was holding the stone.

That is what this legislation does. It is the sanctimonious hypocrisy of it all that I find objectionable. The members opposite enjoy compulsory arbitration. They like it. And why do they like it? Because like them, it is administratively simple. And the government backbenchers like it.

I want to tell you, Mr. Speaker, I find compulsory arbitration repugnant in a philosophical way. I have found it repugnant in a personal way. I have spoken in this House before—about my father's experiences as a working man. He was one of the non-operating railway workers who went out on strike in 1952.

Hon. Mr. Grossman: Hasn't the member had any experience as a working man?

Mr. Foulds: Yes, I do have, both on the railway and in pulp mills. I probably have a hell of a lot more than the minister has.

Hon. Mr. Grossman: Then why doesn't he tell us about it?

Mr. Martel: We weren't selling cars.

Mr. Foulds: Right.

Hon. Mr. Grossman: Very few guys over there have it.

Mr. Deans: I beg your pardon!

Mr. Martel: Is the minister standing up or is he sitting down?

Mr. Foulds: Will the minister sit down, I have got the floor.

Hon. Mr. Grossman: I worked for years without pay.

Mr. Lewis: What did the minister do?

Hon. Mr. Grossman: I worked for a union organization.

Mr. Lewis: He did?

Hon. Mr. Grossman: I sure did.

Mr. Lewis: It was probably the American Federation of Labour. He probably worked for George Meany as his executive assistant.

Mr. Martel: He must have been working for Driver Pool.

Mr. Lewis: Let the minister not tell us about his union experience.

Hon. Mr. Grossman: I'll tell the members.

Mr. Lewis: Believe me, I don't believe him.

Mr. Martel: He must have been working for Driver Pool.

Mr. Lewis: His union experience!

Hon. Mr. Grossman: Members opposite are professional labour.

Mr. Martel: When did he work for Driver Pool?

Mr. Lewis: Brave union experience! Good Lord!

Mr. Lawlor: They wouldn't have him in the plumbers' union.

Mr. Lewis: That is the ultimate.

Mr. Speaker: Order! Could we get back to the bill, please?

Mr. Foulds: Thank you.

Hon. Mr. Grossman: We have more workers to the square inch than the whole opposition.

Mr. Foulds: Mr. Speaker, would you give the minister a bag of peanuts and tell him to leave the House for a few minutes?

Mr. Speaker: Yes, there are certain hecklers in the House who should be a little silent.

Mr. Foulds: Mr. Speaker, at the heart of this bill is compulsory arbitration. In every bill of this type the workers are forced into a situation where they strike to catch up and are lagging behind in the wage demands. Compulsory arbitration imposes on them what on the surface often looks like a fair settlement. That happened to the railway workers in 1952. They got an increase of approximately 20 per cent, but they had fallen 20 per cent behind in the seven years between 1945 and 1952. With that 20 per cent they didn't even catch up with comparable trades in other industries. The same thing is happening here.

Mr. Martel: They have never caught up.

Mr. Foulds: They have never caught up. We saw the results of that a year ago on the federal scene once again, where they went out and were forced back by the federal Liberal government by compulsory arbitration. As has been demonstrated by of all people, the member for High Park earlier, even a 40 per cent demand, if they get it, means that by the time they get it at the end of the contract, they will in fact be seven or eight per cent behind what they are now earning in real dollars.

Mr. Speaker, when I hear of a strike taking place, instinctively without knowing the details of the issue, I have to declare my bias. I am on the side of the strikers. That is an instinctive reaction with me. I suppose that is the reaction that distinguishes people in this party and the people that have a commitment to working people in this country from the other two parties in this House, because instinctively that is our reaction. Also, and I don't think I am betraying any confidences, in caucus today we did have a very heated battle about the battle lines on which we would draw this debate.

Mr. Deans: Not whether or not we would fight.

Mr. Foulds: Not whether or not we would fight, but how we would do it.

Mr. Deans: How we would do it and whether we would do it above or below the belt.

Mr. Lewis: Tell them more. That's all right; I don't mind. We'll tell the House more.

Mr. Martel: I didn't want to give unanimous consent. If I had had my way members opposite wouldn't be here. They would be coming back tomorrow. They are a bunch of phonies.

Hon. Mr. Grossman: That's what one calls a voluntary leak from the caucus.

Mr. Martel: The minister and Billy Baby there are so worried about the public.

Mr. Foulds: One of the things that needs to be said, Mr. Speaker, in this debate and has not been said so far by the government or the Liberal party or I don't think by any of the speakers for our party so far is that somehow the impression is created by the Premier, by the Karl Mallettes, by Godfrey, by that whole crew—

Hon. Mr. Grossman: It is an orchestrated conspiracy.

Mr. Lewis: It is indeed—the Premier, Paul Godfrey, Karl Mallette.

Mr. Foulds: —and by the newspaper coverage—

Hon. Mr. Grossman: We even delivered that note to Crombie.

Mr. Lewis: Did the government?

Mr. Ferrier: It is nice to hear the minister admit it.

Mr. Foulds: —that somehow the workers love going on strike and that it is the greatest sort of experience for them.

Let me tell you something, Mr. Speaker, strikes hurt everybody. That is a truism. What everybody that says that the truism forgets is that strikes also hurt the strikers. Nobody knows that better than the people who put their income on the line by going on strike.

To go out on strike, a group of workers needs to be driven to that position. If any single dispute in this province over the last year has done that to working people, this dispute has. The management of the TTC has driven them to strike. They don't go out on strike happily. It is not a holiday. They lose income; there is social disruption in the household. They feel all the social pressures just as much as we do.

Like my colleague from Sudbury, I am not interested in just helping or letting the working man maintain his position. I am interested in equalizing and helping him to gain some ground. We in this party are interested in some genuine redistribution of income in this province, and that applies to people in the public sector.

Mr. Speaker, I was taking two weeks in a cottage in northern Ontario when this dispute was first coming to our attention. I must admit from the sporadic newspapers that I received, and which I trekked in nine miles to get every third day, I didn't really read the stories about the Toronto transit strike all that eagerly. It seemed somewhat remote. It wasn't affecting me. I was following it with a certain amount of interest, but not keenly. As late as Sunday, I thought maybe the thing would be settled. We in this party are eternally optimistic about the goodwill of men. We have to be to survive. When the announcement came through that the Premier had put a secret proposal to the union, I thought maybe that was a serious attempt—

Mr. Lewis: I thought that too.

Mr. Foulds: —and that it would avoid having to call the Legislature. I had a sort of moment of hope when I turned on the World at Six and listened to the news broadcast. But it was Tuesday night that Mayor Crombie spilled the beans. On Wednesday morning at 6 o'clock I had the privilege of getting up and feeding my two-month-old son. I turned on the 6 o'clock news and I heard what that proposal was.

Do you know why, Mr. Speaker, it was kept secret? They would have been ashamed to reveal it. They knew it wasn't serious. A proposal of that kind coming at that time was a bit of grandstanding, if I may say so. If I had been out on strike and if anybody seriously had tried to put himself in the position of the worker who had gone out on strike and had been out on strike for 2½ to three weeks and had received that proposal, hell, would you have accepted it, Mr. Speaker? I doubt it.

Hon. Mr. Grossman: I thought the hon. member was very happy when he found out the Premier's proposition wasn't acceptable.

Mr. Lewis: On the contrary, we would have wished it to be acceptable.

Mr. Laughren: We aren't as Machiavellian as the government is.

Mr. Foulds: As my leader has pointed out, if it had occurred before the strike occurred, there might have been some hope, but as a worker I and no serious person in this House would go out on strike and then go back to work just to stand still. That is all that the Premier's proposal did. It doesn't even help them to stand still. No, Mr. Speaker—

Hon. Mr. Grossman: Not at all; that is a complete distortion.

Mr. Lewis: Not at all; that's exactly what it was. Even so, we would have wished it possible.

Mr. Foulds: I am not sorry to oppose this bill. This bill is a very bad bill. It is a bad procedure. Compulsory arbitration is unacceptable in the free collective bargaining process. As has been said earlier, if these people are so essential to the health and welfare and safety and convenience of the public in this province, let's darn well pay them a decent wage.

This law, to meet this particular situation, just gets too repetitive when it is a principle that has been embodied in four pieces of legislation within the last 14 or 15 months. This law, like the House leader of the Conservative Party, is an ass. I take great pleasure in opposing it. Thank you, Mr. Speaker.

Mr. Speaker: Did I understand the hon. member rightly in referring to the House leader of the—

Some hon. members: Retract.

Mr. Foulds: I was quoting Dickens, Mr. Speaker.

Mr. Speaker: I don't care what the hon. member was quoting; that was not a parliamentary term and I would ask that he withdraw it.

Mr. MacDonald: "The law is an ass"—that is a very well-known quote.

Mr. Foulds: Mr. Speaker, it may not have been a parliamentary remark. It was originally coined, as you well know, by a parliamentary reporter, Charles Dickens. I do withdraw the remark as it applies to the House leader. I would not withdraw it as it applies to the law.

Mr. Speaker: Well, that is a different thing. It is quite in order.

Mr. Lewis: Does the Speaker mean he would place the House leader above the law?

Mr. Speaker: The member shouldn't do that to me.

Are there any other members who wish to speak to this bill?

Mr. Lawlor: Mr. Speaker, I should be mercifully brief in this bill. Throughout the course of this debate today, I heard the word "regrettable" used repeatedly—repeatedly regrettable, or regrettable repeatedly. There has been a certain amount of lachrymose hand-wringing from all sides. When the bill was first introduced, the first word I heard was regrettable. The member for York-Forest Hill was sobbing with regrets, as far as I could see, throughout his somewhat lachrymose speech; and this has been the general tenor.

Well, if it is regrettable—and I am sure it is—then damn it, have we not got the fortitude, the faith, the wisdom or the intelligence to do something about it in the sense of changing the wretched laws? It wasn't the New Democratic Party that invented this society. We only live in it. We find it in some degree unpalatable.

Mr. Lewis: And that's regrettable.

Mr. Lawlor: The hon. gentlemen over there, the establishment are so well esconced in their fortunes and their general dispositions of life that they don't want to be disturbed by inconveniences. Those fellows over there during the last 150 years have created this kind of a society. They created a jungle. It is a kind of warfare. They glory in it, or they are supposed to glory in it. Every man's hand is raised against every other. Fortitude, competition, success in life, put the other guy down—this particular kind of domination has been their philosophy. That is what they live by.

Ah, but when the fight gets a little rough, they were able to keep the trade unions in hand. They were able to suppress them. They were able to throw them all in jail for almost 100 years under weird laws called "restraints of trade," so they couldn't even form the trade unions—three of them couldn't get together. If they were detected by the Privy Councillor on the corner, to jail they went.

They were subversives, they were in states of sedition, they were undermined. It was true in this country—since we borrow all our laws from Great Britain—and it was true in a vicious sense in the United States, too. In the US the cause of labour, if anyone knows about it, has been an uphill and bitter fight. The bosses have banged the workers' heads together, blown out their brains, and the workers have had to hack their hands to get anywhere. This is just another minor episode in that great ongoing struggle with those people, perched on the position of this government, again trying a stratagem.

The causes grow somewhat equal in a sense. Lloyd George was unable to hold the labour forces down. He had to recognize them. He did so. He achieved office because he did; and for the first time the trade unions came into being in the western world, and that wasn't very long ago. But there is always the undercurrent, the ongoing fight, the hedgehog posture of seeking to put them down the hole and in chains so that the dominant people can still have their will and will still garner the fruits—

Mr. Speaker: Very interesting, but get back to the bill, please.

Mr. Lawlor: I thought a little history might do you some good.

Mr. Speaker: Please get back to the principle of the bill.

Mr. Lawlor: How can you understand anything unless you understand the great background?

Mr. Speaker: I can't tell whether it is parliamentary or not.

Mr. Lawlor: Well, you are very fortunate. I told my hon. leader that when I got up to speak tonight, I'd speak on Warren Hastings and on that particular trial.

Mr. Lewis: He used to represent St. Andrew-St. Patrick.

Mr. Lawlor: That's right—and a far better member than the extant one too, even if they had to impeach him in the end.

I say the government doesn't live by its own vicious code, so it stands around in an elephantine way, wreaking its regrets; everything is regrettable. I point out to the minister that if he is an imaginative force as the Minister of Labour, it is well within his scope in hand to begin to move. First of all, he is going to have to move all kinds of consciousness of this society a little bit away from the present disposition of affairs where coercion or the great mask of the law is brought to bear in every crunch situation in order to solve it by force, and not by good will.

I ask the minister to take a trip to Sweden this fall, if he can work it, and take a look there. On this continent or in this province, we can't borrow holus-bolus from Sweden the particular mores and customs that have been worked into their society, but I suggest that we can very well learn some of the details, some of the ways in which they approach this particular problem, because they went through far greater catastrophic events than anything we face tonight or any other time so far—but it is imminent, it is coming; as a matter of fact, it is upon us.

What we are going to have to do in this particular respect, I suggest, is possibly two things: One of them is we are going to have to give a far greater recognition of the role of labour vis-à-vis management—in management, on management, working with management. The rapprochement must be very much greater than anything we have devised so far. The whole attitude again is one of defensiveness and offensiveness, and the two go together in almost every case. In that kind of rapprochement, we know how the workers work and sit on these boards.

The second thing is that there must be ongoing negotiations at a very high level with a wide perspective or a pan-vision over the whole of industry. What this government does is to take every isolated incident one by one; we can't do that if we are going to frame an overall vision of society and the way we want things. As these things accumulate and drive this society into chaos, they may very well eventuate in some form of fascism in the next few years—and I am sure none of the members opposite want to be in the van of that particular kind of thing. It is to forefend against it, in our interest, that I say the appointed minister in this regard must take this danger by the hand and steady it, and bring into this House an innovative, new visionary approach. I don't know how it is working, it is too new yet, but take a look at what British Columbia is trying to do. They have set up—

Mr. Havrot: Tell us a little more about British Columbia.

Interjections by hon. members.

Mr. Lawlor: All right, it hasn't worked, but it is doing a damned sight better than any of this mob. That is all I can say. They have blundered today with their compulsory—

Interjections by hon. members.

Mr. Lawlor: It is more complex; it is more difficult to work, representatives are aware of that. It is a kind of quasi-court. It is a kind of ongoing arbitration process. Give it a chance. Take a look at it. The minister could read about it some afternoon.

I am not saying that the government is doing nothing. But what does it do? The most simple-minded, childish solution on every issue is to pass a bill saying, "You must go back to work. The strike is over." Well, as has been mentioned here, some afternoon the government will find that is not going to work; and, by George, what they do on that occasion is going to be mightily interesting. They are going to have to use intelligence. They are going to have to make a prudential approach. They are going to have to reformulate their policies. They are going to have to find greater areas of accommodation. They are going to have to do these things to keep our society extant and alive in any sense.

What does the government expect the New Democratic Party to do in instances of this kind of legislation? We are a labour party. We represent the cause of labour. We represent the workers of this province. I would think that the term "workers," since every executive considers himself a sweat-bedewed worker, might cover a great diapason, an enormous span in the higher echelons of the Stock Exchange that I would welcome if they could consider themselves workers too. But somebody has to speak on their behalf and it ain't the members opposite. That is not their position.

Mr. Lewis: Because they don't work.

Interjections by hon. members.

Mr. Lawlor: They are aligned with big business. They get their money from them. They are completely cognizant of their interests. So that is our role. We have two tasks in this party as I see it. Our job on every occasion, season in and season out—

Interjections by hon. members.

Mr. Speaker: Order.

Mr. MacDonald: What is the member for Middlesex South (Mr. Eaton) screaming about up there anyway?

Interjections by hon. members.

Mr. Speaker: Order, please.

Mr. Lawlor: Is there a doctor in the House, Mr. Speaker? I think he has got apoplexy or is just verging on hysteria. Calm down, my friend. It is a short night.

I was saying we have nothing to lose but our yokes as he probably knows. He is bedizened. Wait until the next time I get him on committee. We'll eviscerate him. They got rid of about $3 million worth of bad eggs last week and forgot him.

Mr. MacDonald: He said bad, not rotten eggs. That's how kind he is.

Mr. Lawlor: If I had said rotten eggs, the Speaker would have made me withdraw it. I said we in this party had two tasks, and one of them is to defend the poor on every possible occasion, no matter how successful. If the bourgeoisie, if the well-to-do, if the people out there who are doing very well and don't want to be hurt find that is unpalatable that the defence of that interest of the voiceless is unacceptable, then we won't get elected, and that is too bad. But that is the way we are going to be and that is the way we are.

The second area is the area of the working class people of this province who, as far as we are concerned, are not going to be put upon in these circumstances.

The way we propose to do it is by planning and by an overall government intervention in those areas of critical concern in order to alleviate these things—the very thing that he is unwilling to do now. If he had done it two weeks ago or even five or six days ago in a forthright way, we wouldn't be here tonight at all. That is just how ineptness, how holding back and how particular philosophical predilections will affect a man. It will stultify him.

Hon. J. T. Clement (Minister of Consumer and Commercial Relations): As long as it doesn't transmogrify him.

Mr. Lawlor: There is a kind of stultification over there, a kind of sickliness. You know, Mr. Speaker, like all things in human life, the strike wasn't all that bad. It had its moments. I felt that there was a sense of amity, a slightly greater sense of community than otherwise prevailed in cold Toronto. Day after day I picked up every hitchhiker I could see in order to alleviate the tension, and my contribution was formidable, let me tell members. There were the conversations I had with people in the car and the friendly way in which they approached me.

Hon. Mr. Grossman: They just all happened to be pretty girls too.

Mr. Lawlor: I am not playing down the obnoxiousness and the cost of the strike. Nevertheless, it did have its moments too. On one occasion I remember a fellow getting in and I said to him, "I guess this strike is pretty bad, eh." He said "Yes." Then as we went on he found out I was a lawyer, and he said at that particular stage, "Well, if the lawyers went on strike, nobody would know anything different for three months."

Mr. Havrot: Well spoken!

Mr. Lawlor: It goes some distance to proving that the transit workers have some kind of role to play in this society. If they are all that valuable, then let's treat them as that. If they can bring a city to a state of standstill, that means rewards in monetary terms. Curiously enough, it is the lawyers who wouldn't be missed for three years who are the ones who make all the money while the transit workers have to crawl and almost to clutch in order to get a few bucks out of the powers that be. Now there is some kind of wrong there, some kind of injustice indeed into that situation.

There was one other situation, but I am not going to recount all the various individual instances.

Hon. Mr. Clement: Tell us about the girls.

Mr. Lawlor: That's what I won't tell the minister about. Thank you, Mr. Speaker.

Mr. MacDonald: At least he knows when to stop. That's more than those fellows know.

Mr. Speaker: Any other members who wish to enter the debate?

Mr. Bullbrook: Mr. Speaker, if I may; but that's really a difficult act to follow. We don't have too many hitchhikers right now in Sarnia. I want to say that if the lawyers did go on strike, frankly, I'd be quite willing to come and article to the member for Lakeshore for a couple of weeks to see his particular styles; because I can well imagine that following him in court would also be a difficult act.

I want to say to you, Mr. Speaker, the principle of the bill is that we are called upon basically to impose compulsory arbitration on a certain segment of our society. We have taken the position, I believe, in this parliamentary system that it is an inherent right of a person to collectively bargain, and that the only thing that could deprive him of that inherent right to collectively bargain is the public good.

We must make some evaluation as to the establishment of the priorities, not from the point of view of those who sit on the boards of directors of huge corporations and public utilities, but as has been said before, from the point of view of the total public good, including those people who are to be deprived of their rights.

The essence of what I want to say in a quick, and I hope substantial fashion, is this: There is nothing new about this, Mr. Minister of Labour, through the Speaker. There is absolutely nothing new about what we are doing here. This isn't the first time the government has called upon us to impose compulsory arbitration; to make a value judgement in a very ad hoc fashion as to whether the public good should be superimposed upon that inherent right that we feel exists to the collective bargaining procedure.

What I want to implore of the new minister, through the Speaker, is this: Could the minister possibly overcome the inertia of the board room orientation of his fellow cabinet ministers to recognize, as has been said before, that labour relations are truly the poor relations of the legislative process in this province? That has been said to the minister so many times and to his predecessor so many times.

I just want to catalogue, if I may, these dates for the minister, Mr. Speaker. On May 16, 1968, on June 2, 1969, on Dec. 17, 1969, and on Nov. 1, 1973, I myself exhorted the then Premier and the then Minister of Labour to establish some type of legislative forum, preferably a select committee, for the purpose of looking into the question of labour relations in the Province of Ontario.

This forum would have looked into this very question of establishing what constitutes an inherent right to collectively bargain in the public sector. It would have helped us to establish guidelines and parameters as to what constitutes a priority to take away the right of collective bargaining, instead of forever coming on this ad hoc basis to decide whether the garbage men are essential, whether teachers are essential, whether hospital workers are essential—now whether transit workers are essential—in the context of their responsibilities and our responsibilities.

I say to the minister, through the Speaker, that surely the time has come that we can do something about this. This is what my leader has asked for today; some initiative. I say to the minister again that we have got to stop this business of sending people on junkets to find out how to use schools in the province,

when we have got these tremendously important economic and social responsibilities.

I know that there are members on the front and other benches, especially the front bench opposite, who really can't grasp and don't want to grasp because of their particular orientation the responsibilities that we do have. It was frankly, in my respectful opinion, a sad, sad afternoon. I want to say to you, Mr. Speaker, that I take much more interest in what went on this afternoon in connection with the rules of this Legislature than in the imposition of compulsory arbitration on this group of workers because if we had permitted to happen what was being attempted, it in effect castrated the ability of the opposition to oppose.

I think it is very important that we look at things from this point of view, but I exhort all members to consider this. We are supporting this legislation because we've come to a conclusion we had to make a value judgement. As a person from Sarnia I have been guided in that value judgement by my colleagues here who represent people in the Toronto area. They have told me about not just what has been characterized as staggering inconvenience, but about what is more than staggering inconvenience to people. I think frankly if it was a question of balancing the right to collectively bargain against staggering inconvenience, I'd come down on the side of the right to collectively bargain.

It is more than that. It is a danger to some sectors of the society of Toronto to continue with the strike. It is a deprivation to others, and we can't permit that to continue. But I don't want to be put in this position. I don't want to have to come down here in an almost carte blanche fashion to try to make a judgement as to whether the transit workers are so essential in the present circumstances.

Surely we have an obligation to the people we represent. I have an obligation to the people in Sarnia to say "Yes, I have looked into the question of secondary picketing. I have looked into the question of jurisdictional disputes. I have looked in the question of the absolute stagnation of the Labour Relations Board in connection with bona fide collective bargaining."

Every person who spoke today, whether they were correct or not in connection with the bona fides of the bargaining in this particular situation, certainly were correct in saying that the sections of the Labour Relations Act in connection with bona fide collective bargaining aren't enforced. They aren't. We know that. I exhort my colleagues here to do this, to try once again to impress this upon the Premier if we can. I think he is a man probably who has a sensibility in connection with these matters.

I think the time has got to come to an end when we look upon ourselves as only able to decide about drainage ditches. I take it upon myself to accept that responsibility. What to do with schools is a responsibility. Snowmobiles are a responsibility. But goodness sake, surely to goodness, labour relations in the Province of Ontario is a significant responsibility.

We talk about 96 per cent of collective bargaining coming to a fruitful conclusion. Whoever said it was quite right when he said "It is not ours to be interested in the 96 per cent. It is ours to be interested in the four per cent that doesn't work." I say it is ours primarily to be interested in that percentage of the four per cent that affects the public good because in collective bargaining it is not a bilateral arrangement. There are three parties involved, management, labour and the public good. I want to say that we can't sit here and chastise management and we can't stand here and chastise labour, when we have sat here in our lethargy not taking care of the public good.

Mr. Speaker: The hon. minister. Oh, the hon. member for Wentworth.

Mr. Deans: I thought for a moment I had missed my turn. Mr. Speaker, I have got a number of thoughts I want to convey to the minister. I have thought a lot about this dispute in the last two or three weeks, wondering when we would arrive in the Legislature, wondering what the outcome would be, thinking about the problems of Metropolitan Toronto and wondering why it is that the Legislature has been recalled to deal with a problem which is uniquely confronting people living in Metro. It has driven home to me something that I have wondered about and something that we in Hamilton have long believed, that Metro is given preferential treatment by this government. In fact, this government is more Metro-oriented than it is oriented to any other part or, for that matter, all other parts of the province.

When there is a dispute which is brought about by an agency of the Metro council being unable or unwilling to sit down and bargain with its employees, it can automatically count on the government of the Province of Ontario to come to its assistance. But when there is a similar dispute in other parts of the province, dealing with exactly

the same kinds of situations—though perhaps not in as large an area, because there is no area as large—the government of the Province of Ontario doesn't seem to care very much about the way that dispute would be resolved.

I want to bring to your attention, for example, Mr. Speaker, that it is not three years ago that we had a transit strike in Hamilton. It lasted 71 days. There was no indication that the provincial government gave a damn about the people of the city of Hamilton. There was no indication that there was any public good at stake, that there was any public inconvenience or danger. Somehow or other the city of Hamilton didn't exist in the minds of the Premier of that day or in the minds of the cabinet or of the Ontario government.

Seventy-one days went by and finally they got back to the bargaining table and resolved the dispute in a free collective atmosphere. The end result of that particular happening was that in the next set of negotiations they were able to sit down and collectively bargain and to come to a settlement a week before the expiration of that particular contract.

Hon. Mr. Grossman: Is the hon. member suggesting that we should let this go on for 71 days?

Mr. Deans: In addition to that, just over a year ago, when the city of Hamilton had a strike of their outside workers and there was garbage piled up in mountains all over the city, did the provincial government walk in and say, "Let us help. Let us help resolve the problem"? Did the Premier indicate any concern for the citizens of Hamilton? No, sir, he did not. Yet when a similar situation arose in Metropolitan Toronto the Premier was forever indicating his concern and his desire to see it resolved.

What I am beginning to wonder is whether or not we have three tiers of government here in Metropolitan Toronto: whether we have the local government, the Metro government, and on top of that the Ontario government, which looks after the best interests of Metro and to hell with the rest of the province.

It aggravates me that we should be called in to resolve a dispute which should have been resolved by the Metro council. They should have understood that those people operating on their behalf, in an effort to try to run the transit system, were not bargaining in good faith. They should have understood that there had to be some changes made and direction given from the Metro level in order to try to bring about a settlement. They should have also understood that it was their responsibility, as Metro council, operating a Metro transit system, to do everything in their power to bring about a resolution of the dispute. They should have further understood that the core area of Metro, which is very much affected by the strike, has a government of its own, the city of Toronto council, and they didn't want a legislated end to this dispute. Yet the government insists on moving in.

I often wonder where the government is in all these other disputes that take place. And where is the concern of the government for the public good or, for that matter, for the good of anyone at any other time, other than when it happens to affect Metropolitan Toronto? I am getting sick and tired of it, and I think that is probably true of a lot of people across this province. They are getting tired of this government dealing only with problems which are unique to Metro, to the detriment of other parts of the province.

Hon. Mr. Grossman: That is the reverse of what the newspapers say about what we do for Metro.

Mr. Deans: Anyhow, that's some personal views of what I think about this government's attitude to the rest of the Province of Ontario. It's time that there was some consistency in the attitude of the government towards all of the province. It may well be Toronto-centred, but not everything of any value that happens happens here; and it's time that this government recognized that.

In Hamilton, we had a dispute going on for seven months between employees of the Firestone Tire and Rubber Co. and the company itself; and that dispute is being subsidized directly by imports from the United States of America. That dispute is being maintained because this Premier and this government refuses, in any way, to make it known to the Firestone Tire and Rubber Co. that in Ontario there is something called bargaining in good faith. And that's only one dispute. There are many others across the province that fall into the same category. This government is so inconsistent in its attitude towards bargaining in good faith that it is virtually impossible to determine from day to day what its attitude is going to be.

The Minister of Labour knows full well that in the dispute that I was just talking about, the Firestone dispute, that there is a considerable Canadian public interest at stake.

It's entirely possible that that plant could close down and it's entirely possible that the company could attempt and succeed in importing into this ountry all of the products necessary in order to maintain their operations here—and there are some 1,200 people involved.

Mr. Lawlor: That's what they are doing now.

Mr. Deans: Is there any indication from the first minister of this province that he even cares? In response to my request that he indicate to the company that they should bargain collectively with the union within the terms that are generally acceptable to the Canadian public and within the terms that are generally acceptable to the Ontario public, the Premier says that he believes in the free collective bargaining system and that it will eventually resolve itself.

However, it is different when it comes to a dispute in Metropolitan Toronto which is inconvenient, to say the least. But I differ to some extent from my hon. friend, the member for Sarnia, because I'm not sure that the danger that's involved in the Metro transit dispute is anything like the danger that was being experienced by the people of Ontario as a result of the strike against the Union Gas Co. And yet there was no indication in that instance of any concern by the Premier. There was no indication of any genuine effort by the Premier to move in and to assist in trying to bring about a reasonable settlement to that dispute. That there is absolutely no consistency from one labour dispute to the next. And I think that that's probably what aggravates me most about this situation.

I think that we have seen—since the time that I came into this House—the gradual erosion of the collective bargaining system. And that erosion has been hastened along by the activities and inactivity of his government. In the case of the hospital workers, in spite of the urgings of people from this side of the House that their position of arbitration would, in the long haul, be detrimental, the government forged ahead. It insisted on imposing its will; it insisted on taking away the rights of those workers. And I say now that what we predicted would happen is happening right across the Province of Ontario to the detriment of both the workers in the hospitals and ultimately to the detriment of the public. Arbitration will not do away with legitimate discontent. The government cannot arbitrate away all of the problems that arise during the course of collective agreement. It just simply won't work over the long haul.

When the Crown Employees Collective Bargaining Act was brought in some two or three years ago, it was argued from this side of the House that it was too restrictive and that we ought not to impose the kind of arbitration on Crown employees that the Act contained. And we pointed out that it would bring about a great deal of discord and disharmony within the public service. And let me remind the government that that discord and disharmony is now emerging and they are finding it extremely difficult to work within the very restrictive terms set out in that bill. And that action of this government took another step along the way towards destroying the collective bargaining system in the Province of Ontario.

Further, when there was a strike of teachers and this government moved in again and imposed its will upon the teachers, we pointed out to the government that this was yet another step along the way towards the destruction of the collective bargaining system in the Province of Ontario. And I suggest to the government that what we said at that time will come to pass. There will ultimately be unrest and upset develop within the profession if the government insists on following through with the imposition of arbitration on teachers.

Then there was the elevator constructors' strike. The government in that instance said it was in the public good, and we argued that. I think the record would show that we were right in that argument also.

It worries me to see the destruction of the system without the government having taken the necessary steps to try to make whatever minor adjustments may well be necessary in order to make it function even better than it functions now. I say to you, Mr. Speaker, it functions fairly well. I want to read to you the section that deals with bargaining in good faith and what is said about that section, but not many people actually look at it. It is in sections 13 and 14 of the Act. Section 14 of the Act says—I'm just reading the one part— " . . . and they shall bargain in good faith and make every reasonable effort to make a collective agreement."

That's contained within the Act, and that is the most often neglected, the most often breached section of this Act. It is virtually useless to have that there because there is no one—certainly not this government—with the will to make that section stand up under pressure. How many times has the report

been given to the minister that one side or the other is not bargaining in good faith?

I'm not privy to the information passed on by Mr. Dickie or Mr. Sperazini or by anyone else, but I'm sure that when the truth is told to the minister he must be told that one side or the other is not bargaining in good faith. Yet nothing is ever done about it. There's never any effort made by the minister or the government to insist that that particular section of the Labour Relations Act be adhered to. It's in that section and in that section alone that most of the changes can be made that will bring about the kind of free collective bargaining that everybody claims to want, but that is quickly rejected whenever any pressure mounts.

It's so easy when one stands in the House to say, "We are in favour of free collective bargaining but in this instance we're going to have to do something else. We are in favour of free collective bargaining but in this instance it isn't working very well." Well, damn it all, life isn't that easy. One can't compartmentalize life. Everything isn't exactly the way one would like it to be. Everyone isn't in little boxes set out to be viewed operating exactly the way the government might like or, for that matter, operating exactly the way anyone might like. There is always going to be a time when there will be dispute and a difference of opinion arise. If this Act is going to have any meaning, if this Act is going to bring about some fundamental changes in the attitudes of some companies and some unions, then there must be felt within the Act the arm of government and the will of government to make sure that it operates effectively.

If you take a look at the situation to which I was referring earlier, Mr. Speaker, the Firestone Tire and Rubber dispute, there is no one sitting in this House who has any knowledge of it and there is no one outside this House who has any knowledge of it who would say for a moment that the Firestone Tire and Rubber Co. is bargaining in good faith. Yet is any effort being made by this government to go to them and say: "Look, in our laws in the Province of Ontario, my friend, there's a section which says you shall bargain in good faith and, by God, you shall. If you don't there will be sanctions against you which will be sufficient to make sure that in the future you do bargain in good faith."

Is there anyone in this House who would dispute that in the case of the TTC strike that the transit commission bargained in bad faith, that there was no legitimate effort made by the transit commission to bring about a settlement of the dispute which was before them?

Is there anyone in this House who would claim for one minute that the commission in fact made any kind of legitimate offer to the employees in an effort to resolve the dispute? Is there anyone in this House who could honestly say that they believed that the commission bargained in good faith and made every effort to reach a satisfactory settlement? I doubt it.

The minister said in his opening statement, as I recall, that he believed that the parties legitimately tried to come to an agreement.

Mr. Lewis: That's balderdash.

Mr. Deans: I find that very hard to believe. I think the minister and I are pretty good friends, and I find it hard to believe that he could stand in the House and say that he believes that from the time that contract expired until the time those men went on strike that there was a legitimate effort put forward by the commission to bring about a satisfactory conclusion to the negotiations.

Now the minister may say to me that in the last two or three days the commission have moved a little more speedily, that in fact they have attempted to find some way to resolve it. I may disagree with him, but that might be a fairly legitimate position to put forward for argument's sake. But this Act requires that the bargaining in good faith begin immediately and that it be carried on throughout the course of the negotiations. And neither the minister nor anyone else in this House is going to tell me that he believes that the transit commission bargained in good faith throughout that period of bargaining immediately prior to the expiration of the contract.

That's where labour relations, when they don't work properly, actually fail. They fail because a strong hand is required, the government must exercise that strong hand in saying that our reports from our officials tell us that you or you, depending on which party it may be, are not making a satisfactory effort to bargain in good faith and to bring about a reasonable conclusion to this labour dispute. But that strong hand is never used. There is never any pressure. There is never any legitimate effort. That is the reason we are here today.

The minister and his officials, perhaps even the Premier, should have been prepared to move into the dispute in the early stages. They should have said, "Look, we are dealing with an 'essential service,' and we cannot afford to have a strike in Metropolitan Toronto at this particular time. Therefore, we are saying to you, the TTC, you are going to have to sit down and attempt to resolve your differences; you are going to have to do it systematically, and you are going to have to report back to us day by day on how you are getting along with the resolution of the various matters that are before you." Perhaps then, before the date the contract expired and before the strike began, we would have been in a position that we are now in with nine items outstanding. And then the Premier could have gone in and said what he said two days ago.

An hon. member: That's right.

Mr. Deans: That would have been the time to have gone in and made the suggestions. This is where the entire procedure for dealing with labour disputes in the Province of Ontario is wrong.

But beyond that, let me note that the minister claims in his statement to have tried every conceivable avenue to find a resolution of the dispute; that the government, through the Ministry of Labour and the Premier on his own behalf and on behalf of the government, attempted everything that they could in order to find a way to resolve the dispute that is currently under way. That is simply not so.

I refer you, Mr. Speaker, if I may, to section 34 of the Labour Relations Act. It deals with something called an industrial inquiry commission, brought in over our protestations by this government, supposedly with an eye to bringing about a reasonable inquiry into the reasons surrounding the dispute and the labour scene and for a report back to the minister for action. That wasn't undertaken by the ministry. There was no effort made to appoint an industrial inquiry commission to look into this dispute and report publicly and to the minister on the reasons why we were faced with a strike in Metropolitan Toronto in the transit system. There should have been.

To claim now, at 11:05 in the evening of Friday, with the dispute having gone on for three weeks that the government has tried everything is in fact not so, because that was there to be tried and it was not tried. Had it been tried and had there been a report back to the minister from that inquiry saying that the transit commission was not making a legitimate effort to solve the dispute, then would have been the time for the minister and the Premier to move in and to attempt to put on the kind of pressure that would have been necessary to bring an end to this particular strike.

I am convinced that the government of Ontario made up its mind some weeks ago that it would be to its political advantage to have a strike in the Metro system. I am further convinced that that was brought about by discussion which ultimately said to the Premier that he can move in at an appropriate time and he can bring this thing to an end and that he will then receive the plaudits of the people who are frustrated and angered by the strike. I am convinced that that happened and that the Premier made his decision for base and crass political reasons rather than for reasons of trying to satisfy public need. If public need had been the prime concern of the government, it could have used the inquiry commission or it could have moved into the situation some many weeks ago in an effort to resolve what was obviously going to be a strike situation.

I want to make one final point. If the government is going to talk about essential services, if it is going to try to categorize them ad hoc, then we are going to find that without question almost every single public service dispute will involve an essential service, that there will be very few things for which the public pays directly which cannot be somehow or other interpreted to be an essential service. The public will say—and quite rightly so—"We are paying for the service and we deserve to get it." This government will ultimately bend to the whims of everyone in an effort to try to win political favour. But winning political favour isn't the most important thing in the world. Acting fairly and responsibly is much more important.

If the government is going to have something called an essential service area, it is time that it defines what that essential service area is going to be. It is time that it set out who and what are the categories that make up the essential services of the Province of Ontario, because if it is essential for the transit system to operate in Metropolitan Toronto it is no less essential that the transit system operate in the city of Hamilton. Conversely, if it is not essential that the transit system operate in the city of Hamilton, then how can the government claim that it is an essential service to the city of Toronto and

Metropolitan Toronto? I think it is in that area that the government's logic is faulty.

It is inconvenient, it is frustrating, it is aggravating to drive through the tremendous traffic jams in Metropolitan Toronto, but I want to tell you, Mr. Speaker, that it is not at a point where it is a danger to the community. I reject that as a thought. I believe that the public is right to be aggravated, but they should be taking out their aggravation on the Metro council, they should be taking out their aggravation on the TTC, the commission itself, and talking to them about how it could be that so many weeks and months could go by without any legitimate effort being put forth, how it could be that Metro council could sit back on its haunches and wait until the city's transit system ground to a halt before they paid any attention at all to try and resolve a dispute which was obviously coming to a crisis. In fact, I think most people who were aware of what was going on recognized it was going to end up in a strike many weeks before the strike itself actually took place.

The transit commission did something today which I consider to be totally wrong. The transit commission, upon hearing the government was going to introduce legislation, immediately began the process of calling their workers and telling them to come back to work. That was wrong on their part. They had no right to do that. The law is not yet in effect and the transit commission showed its arrogance and disregard for the legitimate rights of those employees by attempting to coerce them into returning to work.

But there was one thing that was said earlier that grated on me, and that was this: That they were on an illegal strike. It seems in this province that a legal strike is only legal as long as this government decides it will be legal and that if for some reason—often without reason or logic—the government—

Hon. Mr. Grossman: This is not reason or logic.

Mr. Deans: There is no reason or logic in what the government has done. There is none.

Hon. Mr. Grossman: It must be right, otherwise we wouldn't have done it.

Mr. Deans: If this government decides to make a strike illegal, it will do so at its whim and fancy.

Hon. Mr. Grossman: How many times has the government done that?

Mr. Deans: The government has done it four times to my knowledge, making strikes illegal in different sectors of the economy.

Hon. Mr. Grossman: Which ones?

Mr. Deans: I've gone through them already. The minister should have been here.

Hon. Mr. Grossman: Do it again.

Mr. Deans: No.

I say this to the minister, that unless the government brings about a fundamental change in its attitude towards collective bargaining and unless it is prepared to concede that the collective bargaining system as it now operates it efficient and desirable in order to maintain good labour relations in the Province of Ontario, and unless it is prepared to say that it will not interfere with the collective bargaining system at all, then it is going to have to sit down and devise brand new rules, because the rules under which people are operating today don't lend themselves well to the ad hoc attitude of this government.

We oppose the bill. We oppose the bill because we believe that ultimately the introduction of compulsory arbitration in this dispute was not desirable; because we believe that this government had an obligation to move in the dispute some months prior to the time that they moved; because we believe that the responsibility of the settlement of this dispute rests with the Metro council; because we believe that it is not a matter of urgent public importance in the provincial sense; because we believe that this government is Metro Toronto-oriented to the discredit and disregard of other parts of the province; and because we believe that this government is bound and determined to destroy the collective bargaining system in the Province of Ontario and to destroy labour relations with it. That is why we oppose the bill.

Mr. Speaker: The member for Rainy River.

Hon. Mr. Grossman: Would the member tell the Metro editors that we are biased in favour of Metro Toronto?

Mr. Speaker: Order.

Mr. T. P. Reid (Rainy River): Mr. Speaker, it's with a great deal of reluctance and some repugnance that I rise to speak on the bill this evening. I might say, Mr. Speaker, that

I probably experienced more difficulty than most, perhaps as much as my friend from Port Arthur, in arriving here today to take part in the debate and the vote. I think it might be of interest to the House if we could relax for a moment from the humdrum of the debate and I could relate to you, Mr Speaker, how I did happen to arrive here.

Last evening I was camped on my island in Nym Lake, which is just on the edge of the famous Quetico Park. I was having a pre-prandial drink about 8:30 or 9 as the sun went down, waiting for the coals of the barbecue to warm up, when I heard a boat pull up in the darkness outside and a voice said: "Pat, are you there somewhere?" The president of the Liberal-Labour Association of Atikokan appeared out of nowhere with his trusty guide and brought me the bad news that I was to return to Toronto for the sitting this afternoon. It goes without saying, Mr. Speaker, obviously that I don't have any means of communication, either radio or telephone, at my cabin. I might also say it is the first time this summer I have had a chance to enjoy it. As a matter of fact, had the weather not been so bad I wouldn't be here today. I would be in the middle of Quetico Park, where no one, sir, would have found me, including all of the Natural Resources people.

In any event, after carefully considering the situation, I had to load my boat and my trusty guide into the boat—

Mr. Speaker: Maybe we could get back to the principle of the bill. We can hear about this excursion later on.

Mr. Reid: You haven't heard the best part yet, Mr. Speaker.

Mr. Speaker: Did she object?

Mr. Reid: As a matter of fact, I am leaving some of the better parts—

Mr. Speaker: You are going to have every member in the Legislature crying if you keep on.

Mr. Reid: As a matter of fact, I am leaving some of the better parts out, Mr. Speaker.

In any event, I went across the lake, loaded everything into my car, including the trusty guide—and, believe me, that was a chore—and drove home. I arrived at my home in Fort Frances at 2:30 this morning, got up at 5 o'clock to catch the plane, and arrived here this afternoon at about 2 o'clock, fortunately able to be present this evening—

Hon. Mr. Grossman: Fortunate for whom?

Mr. Reid: —and fortunately able to hear every golden word of wisdom that flowed from both sides.

Mr. Speaker, we find ourselves in the present situation because of two main problems, both of course, attributable to the government and the way they operate. The first, of course, is the lack of policy with regard to public transit in the Province of Ontario. We have been over that—I think my leader covered that fairly completely—but it is obvious that the transit man of the year has certainly disappeared and been replaced by a do-nothing Premier with no policies; in fact, bankrupt policies would be the best way to describe them.

Obviously we are in this mess partly because the provincial government was not prepared to say to those conducting the negotiations that there was money in the kitty to meet some of the legitimate demands of the union. As a matter of fact, one of the very interesting repercussions of this is how it is going to affect those other cities and the subsidies they are receiving.

We have yet to hear from the Premier, but perhaps the Minister of Labour will indicate just what the cabinet and the government has decided in regard to their policy of assisting municipalities with their transit costs. Are we, for instance, going to change the 50 per cent subsidy on approved deficits? Is this going to affect Sudbury? Is it going to affect Kitchener, where the next problem is going to be, and Hamilton, St. Catharines and so on? This is one of the repercussions I think we should examine and hear about before we pass this bill this evening.

The other problem, Mr. Speaker, again is attributable directly to the government. The member for Sarnia has pointed out that when the collective bargaining process as we know it breaks down, there is no other alternative but to come to this Legislature and demand legislation for compulsory arbitration, which neither management nor union wants. We have been after the government for years—as a matter of fact I believe the minister is probably in receipt of a letter that I wrote to the Premier at the end of June asking that he set up a select committee to study labour problems such as these so that we would have an alternative to compulsory arbitration and the necessity of this Legislature involving itself directly in union disputes. I have heard from the Premier that he passed the letter on to the Minister of Labour, and I am sure

that in due course I will hear from the Minister of Labour.

The essence of this strike, as has already been indicated, relates to section 14 of the Labour Relations Act. We have heard a great deal about bargaining in good faith from all sides of the House. The most notable thing about that debate is that there isn't one of us who has been able to satisfactorily define for the rest of the House what he means by bargaining in good faith.

My friends to the left might have one definition, I might have another and the government may have another. But this is, in essence, what the problem is. I would think that a select committee of the Legislature with direct responsibility to come up with some kind of reasonable definition that could be used in labour disputes could do that and would avoid the kind of confrontation in this Legislature that we're having here tonight, because that is the essence of the problem.

There's also one other point I'd like to make, Mr. Speaker, before I go on and that is that there have been many calls that the conciliator or mediator should have made a pronouncement or statement or done something to say that one party or the other in the dispute was bargaining in bad faith. In this case, most people seem to be saying, in this Legislature in any case, that it was the transit authority that was bargaining in bad faith and that the mediator should have made some kind of pronouncement about this. I think that shows a complete ignorance, sir, of the function of the mediator.

I've had some personal experiences with some of the people in the Labour department and I must say I've ben very impressed with the calibre and honesty and integrity of those people. But I think it should be pointed out, and perhaps the Minister of Labour can do this if he has now found his feet in his department, that that is not the function of the mediator. In fact, if the mediator was to make those kinds of pronouncements his function would be finished forthwith, the confidence and respect that he has and must have from both sides would be entirely done away with, and the Ministry of Labour then would find itself entirely without a role to play in mediating disputes.

Mr. Speaker, this strike has ground on really in effect since last April when the union presented its demands. There were meetings between May 5 and June 21—10 meetings with little or no progress at all. On July 10 the union asked for conciliation. On July 17 the TTC made some kind of an offer to the union. On July 10, to go back a little, conciliation meetings were held, but again with very little progress. On July 31 the TTC asked for a provincial mediator to intervene. On Aug. 1 Mr. Speranzini met with union officials and TTC officials and some progress was made. On Aug. 6 the talks recommenced, having been broken off over the long weekend. On Aug. 6 to Aug. 10 talks continued with little or no progress. Some of the relatively minor issues were settled, but on Aug. 12 the strike began. We find ourselves here 18 days later, trying to bring it to some kind of conclusion.

Mr. Speaker, I share the views of my colleague from Sarnia. I could very easily have voted against this bill, not being a member for or resident or constituent of Toronto. When you're far away in the Rainy River district some 1,200 miles from Toronto, the traffic jams in the morning and the noon hour and the afternoon don't perhaps concern you quite as much as they do if you're downtown on Yonge St. or Queen St. trying to get somewhere in Metro Toronto. But our colleagues from the city have prevailed upon us and told us that in their view, which we respect, this is a serious matter, that it has to be brought to a conclusion, that the city can no longer stand this kind of strike. So, reluctantly, I too go along with the rest of my colleagues and will support the bill.

Mr. Lawlor: More Lib than Lab.

Mr. Foulds: Regrettably?

Mr. Drea: A reluctant hero.

Mr. Reid: Well, I've never been called a hero before, so I'll accept it, reluctant or not.

Mr. Drea: He is for compulsory arbitration.

Hon. Mr. Grossman: Look at that great ocean voyage it took to get here.

Mr. Reid: Is the member for Scarborough Centre against compulsory arbitration?

Mr. Drea: No, sir!

Mr. Reid: I thought maybe he was from the way he was talking.

Mr. R. F. Nixon: He's in favour of wage and price controls. That's his answer.

Mr. Drea: That's right. I'll make a Freudian slip again.

Mr. Reid: Speaking of Freudian slips, Mr. Speaker, it's rather interesting, although I didn't hear it myself, I heard a fairly accurate report that the leader of the New Democratic Party on CFRB yesterday was at least understood to be in favour of compulsory arbitration in this particular dispute—

Mr. Lawlor: That was a vile canard.

Mr. Reid: Well, I am just going by—

Interjection by an hon. member.

Mr. Reid: I don't say that the leader of the NDP is for compulsory arbitration by any means, but I understand his remarks were interpreted by the news broadcasters at CFRB—

Mr. Lawlor: We are going to sue them for slander.

Mr. Reid: —that reluctantly he could see the need in this particular case for compulsory arbitration.

As a matter of fact, I understand Joe Frazier or Mohammed Ali would have been impressed with the footwork of the leader of that party when he found out that he was being taped for the radio programme.

Mr. Lawlor: Talk about Freudian slips—that's enough about Freud for a while.

Mr. Reid: I understand further, Mr. Speaker, that John Crispo, that renowned expert on labour relations, also suggested on the CBC yesterday morning that in the present circumstances that compulsory legislation was necessary to bring this particular strike to a halt.

So, Mr. Speaker, we've outlined before the reasons for supporting the bill. There is one matter that perhaps we can deal with during the clause by clause in section 3 of the bill in regard to the—

Mr. Speaker: I think we should leave that for clause by clause then.

Mr. Reid: Well, I was just going to make one very brief remark—

Mr. Speaker: On the principle?

Mr. Reid: —on the principle of compulsory arbitration, being that the time limit is left open when the arbitrator can make his report. And we will move an amendment that perhaps it says a reasonable time; we would like to put a specific limit on that time.

In any case, Mr. Speaker, I would just like to reiterate that reluctantly the Liberal Party will vote for this bill. We would like to reiterate that this bill is a direct result of the ineptitude, incompetence and ignorance of the government in regard to the role of transit in the Province of Ontario, and also of its ignorance and neglect of the labour people and the labour laws in the Province of Ontario. We hope that the government will act to remedy both of those defects.

Mr. Drea: Vote against the bill.

Mr. Speaker: Does any other member wish to speak before the minister? The hon. minister.

Mr. Cassidy: Tell us about good faith bargaining.

Hon. J. P. MacBeth (Minister of Labour): Thank you very much, Mr. Speaker, for my finally having an opportunity to rejoin this debate. As I did back some days ago, the last day we were here together, I listened and tried to listen well. I'm sorry that my ministry is the cause to bring you all back again here today to give me the second lecture in labour law, but once again, I have listened. I think I have learned and have been impressed by many of the things that have been said by all parties here.

The matter that is before us, of course, is not easy for me. And yet, this is just one of the many difficult problems that I see I will have before me as Minister of Labour in the months to come—if I last that long.

Mr. Laughren: It's going to get worse.

Mr. Reid: There won't be a federal election for four years—the minister won't be able to resign.

Hon. Mr. MacBeth: These problems are not just happening in Ontario. They are happening across North America, and I think even beyond that. On the problem that I have to deal with, I have listened to the theories and the simplistic solutions that have been offered—and I appreciate them—but I have to deal with specifics and realities.

As I say, there are difficult days ahead. Right here in Ontario we have a labour shortage. We also have the problem of inflation to deal with. Now, that makes it difficult for both sides sitting down at the bargaining table to know what is fair for their workers and what is fair for the company. And I sympathize with those people. I said

earlier I did not criticize the parties to this bargaining, and I don't. I'll come to that perhaps a little bit later. As I said in my statement, I think all parties were trying to act in what they themselves thought were the best interests of everyone concerned.

We have all had enough to say about the distaste of compulsory arbitration. I was interested in the remarks of the member for York-Forest Hill about bargaining behind closed doors. This is something I have been concerned about when we are dealing with the public sector. Who is being reasonable, who is putting a reasonable position forward, who is doing the stalling and that type of thing.

I think Mr. Dickie views with some alarm my suggestion that perhaps in the public sector there is room for some public viewing. This is so contrary to the concept that we have of negotiations that are done behind closed doors. But if they are done behind closed doors, then who has the right to sit in judgment upon them as to whether or not they are acting in good faith?

Let me put it this way: Most people say they are in favour of strike action. The strike happens. If people are in favour of strike action, they must realize that a strike is going to happen some time. And that is what has happened. But the criticism I have received today as minister is that it should not have happened.

The members opposite and they have been somewhat kind to me, perhaps kinder than I deserve—put the blame on lack of good faith. Maybe stubborness is lack of good faith or at least a sign of bad faith; I don't know. And these are problems. The Leader of the Opposition suggested that they should be studied. Goodness knows, I am looking for solutions to these problems, and I am sure everyone is looking for solutions.

I would be glad to see some study of all these phases as to what is good faith, but I don't think it stands to reason that one of the minister's mediators should come to him with a report that in his opinion one party is acting in bad faith and that on the strength of that, I should use the powers of my office during the course of these negotiations.

Certainly I heard criticisms of both sides, but to my knowledge nobody has made any complaint before the Labour Relations Board or anybody else that one of the parties was in fact acting in bad faith.

Mr. R. F. Nixon: Might I ask a question before the minister proceeds? I think this is an important point. Why would he not feel that it is the responsibility of the people in whom he has direct confidence to report their views on that matter and that he himself would then take action, because it is required of the law?

Hon. Mr. MacBeth: That brings me to my next point, and that is this business of the neutrality of the Minister of Labour. It has been the tradition in this province, and in most provinces, I think that the Minister of Labour takes a rather neutral position on these things—

Mr. Lewis: That's right.

Hon. Mr. MacBeth: —and he does not try to say which party is right or which party is wrong. I'm ready to have that position reviewed, but that is the position the ministry has taken to date and at this point I see no reason for changing it.

Why I say that is that subsequently I may be in a position, as I may be tomorrow, of making some recommendation as to an arbitrator. In other words, my ministry's duties continue beyond even the point of perhaps not settling the strike, but we do not know what ramifications are going to come out of some finding on my part of bad faith somewhere along the line. In that way, I say, I destroy my neutrality. Maybe the House is ready for me to destroy that sort of thing, but I would be happy to have that reviewed; that is one of the problems that I face.

In speaking to members of the various labour unions, they say, "We wish in Ontario we had a Labour minister who would come out and speak on behalf of labour." I think that is the position that the New Democratic Party put before me.

Mr. Lewis: Just once every three or four years; just for a change.

Hon. Mr. MacBeth: All right. I hope that I do speak on behalf of labour, and I take exception to the remarks that our government is not interested in labour, because I know we are.

Mr. Martel: It is a funny way of showing it then.

Hon. Mr. MacBeth: I don't think we would be here unless we had a considerable amount of labour support. But my problem is that when I am dealing with matters in the Ministry of Labour, they have to deal with both sides of the coin; we have to deal with the

management's rights and we have to deal with the workers' rights. If I come out on one side, do I destroy my ability to represent and bring forward true labour positions? Now, one can say, "All right, let the ministry—"

Mr. Lewis: That is a most extraordinary position. The minister has an Act to uphold.

Hon. Mr. MacBeth: Oh, I'm quite happy about that. Upholding the Act does not give me any problem at all.

Mr. Drea: It's the same as the one in BC, and members opposite know it.

Hon. Mr. MacBeth: The problem of upholding the Act does not bother me. I think I am doing that. But I am worrying about the philosophy of—

Mr. Drea: If Labour Minister King had made that speech the members opposite would applaud it.

Mr. Speaker: Order, please. The minister kept very quiet while the rest of you all had your say.

Hon. Mr. MacBeth: Maybe we should take the position that seems to be happening in Ottawa today where the Minister of Agriculture speaks out strongly for those things in agriculture. The Minister of Labour speaks out strongly for that area. What bothers me in that approach is where do you get your cabinet collective responsibility? At least, when I speak I believe I am speaking for the collective position of the cabinet on labour matters as they affect both management and labour. If members want me to speak only for the side of labour then we will have to have maybe somebody else to speak on management.

Interjections by hon. members.

Mr. Cassidy: The minister is never very reluctant to speak for management.

Mr. Bullbrook: The government hasn't anyone qualified to speak for management.

Mr. Renwick: Exercise judgement in this case.

Hon. Mr. MacBeth: Well, I don't question that. But do the memebrs want two different voices from the same government? That is one of the factors.

Mr. Lewis: Maybe the Premier knew what he was doing when he appointed the minister.

Hon. Mr. MacBeth: I'm beginning to doubt that myself. In any event I am just putting some of the problems, as I see it as a neophyte minister in the field. These are the things that I see.

Mr. Lewis: Neophyte? This ain't a neophyte speech. It is as accomplished as any I have heard.

Hon. Mr. MacBeth: I would welcome a study by the House in connection with it, but at the same time I am faced with an immediate problem.

Mr. Lewis: Surely.

Hon. Mr. MacBeth: I say we don't like to impose compulsory arbitration. But when we have two parties involved, unless I'm to find one of them acting in bad faith, or the Labour Relations Board finds one of them acting in bad faith, I don't think in my position of neutrality, as I see it, that I want to step in and say which party is reasonable or which party is not.

Mr. Deans: But that's the minister's job.

Hon. Mr. MacBeth: I don't see it that way.

Mr. Cassidy: The minister has to enforce the Act. The Act is not being enforced.

Hon. Mr. MacBeth. The law provides for an official complaint.

Mr. Lewis: How can the minister pretend to be impartial when this bill embodies the management position?

Mr. Speaker: Order, please. The Minister has the floor.

Hon. Mr. MacBeth: I suggest to the member that it does not embody the management position.

Mr. Lewis: Sure it does.

Hon. Mr. MacBeth: It embodies the position that the parties have reached up at the time they broke off negotiations.

Mr. Lewis: No.

Hon. Mr. Grossman: Management never wants compulsory arbitration. The member knows that.

Hon. Mr. MacBeth: It is the point of agreement that has been reached regardless of what offer. I think it embodies all the points on which agreement has been reached. That is my understanding of what has happened.

Mr. Deans: Well, how can it? There's only one thing in it.

Hon. Mr. MacBeth: No, there's more than one thing in it. It says those terms that have been agreed to.

Mr. Deans: That's not enough.

Hon. Mr. MacBeth: All right. Then what else does the member want in it?

Mr. Deans: I don't want it.

Hon. Mr. MacBeth: I know he doesn't want it, but I say I'm in a position—

Mr. Speaker: Order. Just proceed on the principle of the bill and forget about the questions.

Hon. Mr. MacBeth: I am in the position, Mr. Speaker, of having the responsibility of doing something about the situation we see.

Hon. Mr. Grossman: The member opposite says if it doesn't help Hamilton, don't worry about it. That's what he says.

Mr. Deans: That's nasty.

Hon. Mr. MacBeth: I'm not so sure that I said that we had exhausted everything. Time was one of the factors that entered in here. I personally did not get into this matter until I was informed that there was no further hope that negotiations could carry on. Since that time there has been less than a week. I did my best at one time to speed procedures up, so that there might still be time for further discussions. People say that I did not take a strong enough hand, and that could be, but at that point the Premier of this province came in and I think the proposition that he put was not that bad a proposition, that it should have been—

Mr. Lewis: No, it was late; it wasn't bad.

Hon. Mr. MacBeth: Well, it may have been late; but there again, at what point do members want the minister to enter the proceedings?

Mr. Lewis: Before the strike occurred.

Interjections by hon. members.

Hon. Mr. Grossman: Where is the free collective bargaining then?

Hon. Mr. MacBeth: I suppose at that point, then, I must admit that strikes are a bad thing.

Mr. Lewis: When the minister has evidence of bad faith bargaining, he moves in before—

Hon. Mr. Grossman: In whose opinion?

Mr. Deans: In the opinion of the conciliation officers who reported to the minister there was bad faith bargaining.

Interjections by hon. members.

Hon. Mr. MacBeth: Mr. Speaker, I have more things I could say. I was going to go on and describe something about the offer of the Premier—that the offer had something in it that we thought had some innovative parts. Namely, that they could get back to work; they could pick up the discussions immediately; and that here would be no coercion in that time—

Interjections by hon. members.

Hon. Mr. MacBeth: Well, all right; whether it is old or not, it was innovation as far as I understand our position on it. In any event, we believe it had some merit. Some members opposite are saying it should have been made earlier. I am not so sure that I should have entered the picture any earlier than I did. Whether I should have held on to it longer or not, or directed it—as it seems some would like me to have done—with a strong hand by saying, "You shall do this and that"—but that is not the position I view the ministry in. I would be glad to see that position reviewed as to whether that is the proper position of the minister, not that of neutrality.

As I say, there are many things that I could go on to speak about. I am a Toronto person; I am proud of the Toronto Transit Commission service. Over the years it has been a good service and the employees are the ones who have created that system, giving it a pride of operation.

Mr. Lewis: The commissioners didn't do it all.

Hon. Mr. MacBeth: No, the commissioners recognize that, too. Some of them were commenting to me how the employees had laid up the equipment prior to the strike in a way that it would be operative shortly. They give the employees credit for that and the pride of those who operate the system.

We are all proud of this system. Today, it is in trouble. I would ask, Mr. Speaker, for the immediate help of this House in restoring to the citizens of Toronto—and I go beyond that with the Gray Coach system to all of the communities served by the Gray Coach.

This is a service that we need and I think it is essential to the well being of the Province of Ontario.

Mr. Speaker: The motion is for second reading of Bill 119.

Carried?

Some hon. members: No, no.

Mr. Speaker: Before I ask the members to decide on the question, I have an announcement to make. One of our esteemed friends, a friend who is respected by everyone in this Legislature, informs me it is the first time in 28 years he has sat in the Legislature on Saturday—our esteemed Clerk, Roderick Lewis.

The motion is for second reading of Bill 119.

The House divided on the motion for second reading of Bill 119, which was approved on the following vote:

Ayes	Nays
Auld	Bounsall
Bales	Burr
Beckett	Cassidy
Belanger	Davison
Bernier	Deans
Birch	Dukszta
Braithwaite	Ferrier
Breithaupt	Foulds
Brunelle	Germa
Bullbrook	Gisborn
Campbell	Laughren
Carruthers	Lawlor
Carton	Lewis
Clement	MacDonald
Davis	Martel
Deacon	Renwick
Downer	Young—17.
Drea	
Eaton	
Edighoffer	
Evans	
Gilbertson	
Givens	
Good	
Grossman	
Haggerty	
Havrot	
Henderson	
Hodgson (Victoria-Haliburton)	
Irvine	
Jessiman	
Lane	
Lawrence	
Leluk	

Ayes

MacBeth
Maeck
McIlveen
McKeough
McNeil
McNie
Meen
Miller
Morrow
Newman (Windsor-Walkerville)
Newman (Ontario South)
Nixon (Dovercourt)
Nixon (Brant)
Nuttall
Parrott
Paterson
Potter
Reid
Reilly
Riddell
Rollins
Root
Ruston
Scrivener
Singer
Smith (Simcoe East)
Smith (Hamilton Mountain)
Smith (Nipissing)
Snow
Spence
Stewart
Taylor
Timbrell
Turner
Villeneuve
Walker
Wardle
Welch
Wells
White
Winkler
Wiseman
Worton
Yakabuski
Yaremko—79.

Clerk of the House: Mr. Speaker, the "ayes" are 79, the "nays" are 17.

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall the bill be ordered for third reading?

Mr. Lewis: No, no.

Mr. Speaker: Committee of the whole House?

Interjections by hon. members.

Mr. Speaker: Order, please. Would the member for Scarborough West take his seat for a minute?

Interjections by hon. members.

Mr. Speaker: If the members would just be quiet long enough for the Speaker to hear what is going on, I'm sure that the business would proceed much faster.

There has been an order for committee of the whole House.

Clerk of the House: Order for House in committee of the whole.

TORONTO TRANSIT COMMISSION LABOUR DISPUTES SETTLEMENT ACT, 1974

Mr. Chairman: Are there any questions or comments to any section of this bill?

Shall section 1 carry?

Section 1 agreed to.

Mr. Chairman: Shall section 2 carry?

Section 2 agreed to.

On section 3:

Mr. Chairman: The member for Rainy River.

Mr. T. P. Reid (Rainy River): Mr. Chairman, I have a brief question. I realize that section 3(2) deals particularly with illness or other problems in regard to the arbitrator reporting back. I wonder if you could give us some indication of when you expect the arbitrator would make his report known and bring the parties to a collective agreement? Have you put a time frame on it?

Hon. J. P. MacBeth (Minister of Labour): Mr. Chairman, I didn't hear the end of the question. Was it how soon he would be appointed or how soon he would report?

Mr. Reid: Both. When will he be appointed and when will he report?

Hon. Mr. MacBeth: I would hope that he would be appointed just as soon as we can find a suitable person and get the order in council through. I don't like to bind myself by time, but time is the essential thing with us. That's why we are suggesting one arbitrator. It's all a question of time, and I would hope he would be appointed within two weeks or maybe three. As to how long he meets, again I don't want to put any kind of time zone over his head, but I think it depends on the person we appoint to act reasonably. I think we could use section 3(2) if he doesn't act reasonably in terms of time, but I'm sure there won't be any problem in regard to time and that he will report as soon as reasonably possible.

Mr. Chairman: The member for Lakeshore.

Mr. P. D. Lawlor (Lakeshore): Mr. Chairman, I would seek to elicit from the minister a response with respect to the optional issue here, to which he has no doubt given good consideration, and in the eventuality, we may very well move a complete deletion of the clause and a substitution therefor in a way in which I'm sure he would recognize. Namely—

Hon. Mr. MacBeth: That's better. I can hear the member now.

Mr. Lawlor: What are the different considerations that went into appointing a single arbitrator over against the normal practice of a three-man board? In the previous compulsory bargaining legislation that you brought before this House the minister had opted for the Arbitrations Act procedures and for the three-man board notion. In this instance, he has altered his stance.

Some of us over here rather think that the three-man board situation is probably fairer. It gives a wider diapason and will not be as onerous a burden on a single person. Rather than slow up the process, probably it would advance it. It at least gets all parties well heard and advances the process. It gives the appearance of greater representation, which is terribly important in coercive legislation with arbitrary tints to it—which we regret so much. It gives a sense of a greater feed-in—that the chairman of the board is cognizant of what arguments are going always. And I would think that it's a fair-minded way that the minister probably would go for if he felt a three-man board situation—and I accordingly prepared a motion in this particular regard—but we want to hear first what the minister has to say about this whole issue.

Hon. Mr. MacBeth: Thank you, Mr. Chairman. It was mainly the time factor again. Now, as you recall with the elevator case we did have the three-man board and members may recall that there was some difficulty at

that time in getting the report in, which delayed things.

Now, also we are faced on this matter with the fact that there are four parties to this dispute. There are three unions and the management itself. So we thought we would have to have the three boards to properly do it. And this way, time being one of the main elements as far as we are concerned—and we think as far as both the parties are concerned —we thought everything could be expedited by one person rather than have the problems we saw in the elevator case and with the three unions involved here.

That is why we selected a single arbitrator. It has not been done without thought and without the consideration that it has the appearance of more democratic procedures.

Mr. J. R. Breithaupt (Kitchener): Mr. Chairman, could the minister advise us if the parties who are going to be involved have had any input in this decision? I am just wondering if the approach with respect to one arbitrator is presumed to be acceptable to the parties in advance. I think if we were aware of that, it would no doubt smooth things along quite well and perhaps the section would pass without any particular further comment.

Hon. Mr. MacBeth: There has, Mr. Chairman, been some cautious probing on that matter. It's hard to probe when people see something coming that they don't want to come. But we have had indications that if the bill had to pass, that the one arbitrator would be satisfactory to them. Now, I don't want to go beyond that.

Mr. S. Lewis (Scarborough West): Mr. Chairman, when we discussed it, we were generally aware of that. The minister was kind enough to indicate it earlier. Members of the NDP caucus were just a little anxious about the one-arbiter approach, feeling that in a situation like this three might work rather better. I have a feeling from this debate—we may not be inclined to press it—but I do feel some anxiety about the business of putting this whole matter into the hands of one person.

If it were simply wages and simply cost of living, that might well be legitimate. But when it involves something as complex and difficult as the split shift situation, which is obviously a very awkward situation to cope with, I would have thought that the opportunity for a three-person board—indeed, even the opportunity for a dissenting view, should that be the case on report—might be socially useful, might be publicly profitable.

I wonder about that. I take it you thought of all that. I must say that it is hard to strike the balance.

Hon. Mr. MacBeth: I cannot admit, Mr. Chairman, that I thought about the desirability of having dissenting views and that that might have some ideas in it that would be helpful to us in the future. I can't say we considered that. I must say we did consider all the other points. And I am satisfied it will work and I think it's best under the situation that came down on the side of the single arbitrator.

Mr. I. Deans (Wentworth): May I just comment briefly on a matter that concerned me when I first read the bill and still does. In arbitration it's very difficult to find a person who has the capacity to know sufficient about the intricacies of an operation to be able to sit down and to work out, say, the scheduling necessary to implement something other than a split shift.

The value of a three-man board is that each of the parties would be appointing someone in whom they had both confidence. They would be appointing someone who they felt had the knowledge necessary to add whatever input was required by the chairman of that board to reach a knowledgeable conclusion, not just simply to say, "Well, I'll choose that side over against that side," or, "I think that makes more sense to me, though I don't have the details and I really don't know enough about it". They wouldn't say it publicly but I know that's how it happens.

It would seem, since they are arguing I presume with the matter of how you might go about arriving at better working conditions with regard to a split shift, that both the management and the union would want to have a person there who had some legitimate reason for being there during the deliberations that would take place by the arbitration board.

I am not trying to be ornery about it, but I think in the interest of coming up with something both sensible and knowledgeable that it would be beneficial to both parties if this were a board of arbitration rather than a single arbitrator, for that reason if for no other reason. I am sure the arbitrator can look at the cost of living index and can look at comparative wages and come up with a wage settlement. I am sure he can also look at other fringe benefits paid to other

people and come up with fringe benefit settlements. But in working out the details of any changes he or she might contemplate making in the hours of work, it would be of tremendous benefit if each party were represented legitimately in the final deliberations of that. I really do urge the minister to making that a three-man board. It doesn't take long to set one up.

Hon. Mr. MacBeth: Mr. Chairman, I would only be redundant. We did consider that and the time factor and what we understood was the agreeability of the parties to it. We have decided on one. The arbitrator would, of course, be assisted by counsel and any expert witnesses. I would expect that he would rely considerably on the advice of counsel for the respective parties. I know that is not the same as being able to take them into confidence when you are writing a judgement or a decision, but we feel that we will be able to pick somebody who has the skill and the wisdom to handle discreetly and wisely the problem that the member is talking about.

Mr. Deans: I hope the minister is right.

Mr. Chairman: Is section 3 agreed to?

Mr. M. Cassidy (Ottawa Centre): Mr. Chairman, on section 3 on the same point, I just want to try to persuade the minister to think again about it. It's not the same for expert witnesses to be putting the case as for three people to be sitting down, one of whom knows pretty intimately the union side, one of whom knows pretty intimately the management side and one of whom is independent, and for the three of them to come and possibly arrive at the kind of wisdom which will not happen if this thing is all revolving in the head of one man.

To give an example of the complexity of the problems, I was talking with one of the workers this afternoon and he gave me an example of a split shift which really rather appalled me. I am not sure if the Toronto press were given real examples of the kind of working conditions that the transit drivers have. This was a fellow who had been working for Gray Coach. One of his shifts was to stay over in Buffalo at night, pick up a bus at 7:30 and leave with it at 8 o'clock in the morning, drive to Toronto and then at 11 o'clock take a tour of sightseers to the African lion park in Rockton, somewhere near Guelph. It being a split shift, he has three hours free in the middle of his shift. Those three hours—which are not paid for—he must spend sitting somewhere around his bus or watching the lions or whatever he wishes to do at Rockton.

It is time which is clearly totally useless, unless he is a student of metaphysics, like the member for Lakeshore, who would absorb himself in classical Greek or philosophy or other such abstruse pursuit. At any rate, for the kind of thing that most people might want to do with their time, it is useless. Then he brings the bus back to Toronto and eventually packs it in at 7:30 or 8 o'clock in the evening, having spent a full 24 hours away from his home, having spent 11½ or 12 hours in what all of us would call work, although three or four hours of that time was idle in the sense that he wasn't actually driving, and he is paid for eight hours.

What are the practical details of the necessity of the 13- or 12-hour shifts that are being spent in Toronto by relief drivers who must go on perhaps half a dozen or a dozen different vehicles during the course of a day and whose time also gets frittered away so that effectively they put in eight hours over 11½ or 12 hours but never have a solid block of time which they might use for themselves, let alone time that they can actually go home if their home happens to be distant?

One arbitrator—

Mr. Chairman: Order, please. May I ask the hon. member what relevance this has to section 3, the appointment?

Mr. Cassidy: If the Chairman was listening, he would know that the words I had used were "one arbitrator" and I was returning to that very point.

For one arbitrator to know this kind of thing intimately, to feel it the way the men feel it, or to understand it the way that management with its problems may understand it, you simply can't ask someone unfamiliar with the industry who comes in as an independent arbitrator to try to come to grips. This, of course, is one of the weaknesses of the arbitration process over the process of collective bargaining. But to ask one guy to do it without two other people who are equal in status to him, and who can debate in the confidence of the arbitration chamber, is simply unrealistic.

We may have an amendment on this, but I don't think that the argument about time alone is compelling. It seems to me that there are other ways around it. For example, if the minister is concerned that an arbitration decision be reached by the end of September or the end of October, say, then let that be

put into the legislation and let that deadline be given to the arbitrators so that the arbitrators know they've got to get stuck in and can't take on other commitments or must divest themselves of other commitments in order to carry out this arbitration in that time, if that is the main thing that is moving the minister. If there are other concerns that move the minister, then let him say it. But it seems to me that time is the only one that he's mentioned and that there are other approaches to a problem of time if the public and the transit workers and management want to have a decision quickly.

Mr. Chairman: Shall section 3 carry?

Mr. Lawlor: Mr. Chairman, a few more remarks on section 3 if I may. I was hoping when I first stood up on this section that the minister would appear to be suggestible in this area—not adamant, open—and if he had, then the response would have been to move the amendment.

If you're going to stick, as you obviously intend to, then may I have the effrontery to make a few suggestions to you?

Don't appoint anybody to this very demanding job, in the first instance or at all, who would appear to have a conflict of interest. Your previous legislation mentions the usual conflict situations, and in the amendment it would read, in section 10:

> No person shall be appointed a member of the board who has any pecuniary interest in matters coming before it or who has acted or who has, within the past six months preceding the date of the appointment, acted as solicitor, counsellor or agent to the employers or of the unions.

In other words, this is very gravely important in this particular context.

I would adjure you too not to appoint any previous member of the commission itself at any previous time or any union, on the other side of the fence, simply because they seemingly have that inside track. I think that very well could be a mistake where there is an in-built bias, where there is not that objectivity that is so requisite in this particular thing. And if you're going to sustain this legislation at all, that is the very minimum you're going to need.

Hon. Mr. MacBeth: Mr. Chairman, those are words of wisdom and I have noted them.

Mr. Chairman: Shall section 3 carry?

Mr. Lewis: Can we have a commitment from the minister that he will not appoint a person who was associated with the commission before? Because that is a matter which is now causing some worry to the workers.

Mr. Breithaupt: Or the union.

Mr. Lewis: Or the union. Someone who was not in fact a former commissioner or associated in a former way with the Toronto Transit Commission.

Hon. Mr. MacBeth: I don't want to bind my hands. Often we may find somebody who we may want to appoint did in fact have a summer job with the TTC or something of that nature. Now, if you take—

Mr. Lewis: Can we have a commitment from you that you will not appoint someone who actually sat on the commission before?

Mr. J. E. Bullbrook (Sarnia): You can easily give that.

Hon. Mr. MacBeth: I don't see any problem with that at all. You don't want us to appoint a former commissioner.

Mr. Lewis: That's right.

Hon. Mr. MacBeth: Yes, I can give you that commitment.

Mr. Lewis: Thank you.

Mr. Chairman: Is Section 3 carried?

Section 3 agreed to.

Mr. Deans: On section 4.

Mr. Chairman: The member for Wentworth.

Mr. Deans: I have two matters under section 4. One is would it be possible for the minister to list for us the nine items that are still in dispute in order that we can understand fully what they are? Can he do that first and then I can deal with the second matter which is not related?

Hon. Mr. MacBeth: Mr. Chairman, as I understand them after their discussions this morning, union proposals still outstanding are wages and cost of living allowance, shift premiums for drivers, hours of work, Sunday premiums, overtime, exact fare, schedules — and that deals with the spread and split shifts — and the operator's wage rates.

As for items the unions are recommending to their executive board, I don't know whether you want me to list those or not. These are some, I understand, which came out of this morning's meeting: weekly in-

demnity, 70 per cent first year, 75 per cent second year; vacations, both entitlements and quotas—union to recommend two weeks for one year, three for five, four for 12, five for 22, six for 30 and drop quota request; three work breaks on all straight crews, union to recommend Saturday, Sunday and holidays with present regulations.

Company proposals still outstanding are temporary and part-time operators for both TTC and Grey Coach. Items resolved between parties Friday, Aug. 30, 1974 are (1) skill bonus of drivers to be included in the rate (union dropped) — I'm sorry that's in brackets. These are the items that I guess they talked about and the union or one of the parties decided to leave out. If you are content, I'll carry on in this way. (2) semi-private coverage for all employees (union dropped); (3) term of agreement, company agreed to two years from July 1, 1974. Company proposal—the right to change carriers of the medical plans—company dropped this request.

Mr. Lewis: I should think so. That was a King special.

Mr. Chairman: Shall section 4 carry?

Section 4 agreed to.

Section 5 agreed to.

Mr. Chairman: Anything on section 6? The member for Sarnia.

Mr. Bullbrook: Just a technical thing, I'm not going to get into the discussion that we've had on other bills of this nature, or the removal of the rights under the Arbitrations Act and the Statutory Powers Procedure Act Part 1, but you are removing the provisions of the Arbitrations Act totally from any proceedings under this Act. I ask you to direct your attention to the effect of section 8, subsection 3.

As I read that, the arbitration contemplated thereunder is not an arbitration carried by the arbitrator contemplated under this statute. I ask you to consider whether you should remove from any arbitration proceedings contemplated under subsection 3 of section 8 the provisions of the Arbitrations Act.

Mr. J. A. Renwick (Riverdale): It is covered under the Labour Relations Act.

Hon. Mr. MacBeth: I'm not so sure I understand the question.

Mr. Bullbrook: What you are doing here is depriving the parties before this arbitrator—

Hon. Mr. MacBeth: The Statutory Powers Procedure Act?

Mr. Bullbrook: —of the rights—well, I just want to refer to the Arbitrations Act—under the Arbitrations Act. If you will look your section 8 provides for the conduct of the parties in the interval between the return to work and the disposition of the matter by the arbitrator. Subsection 3 of that section provides, if any matter is in dispute as to the remainder of section 8, that matter can be carried by either of the parties to arbitration.

I'd like you to help me. I don't think you mean this arbitrator. I don't think you mean that.

Mr. Renwick: It's an arbitration under section 37.

Mr. Bullbrook: Right! And I'm suggesting that you shouldn't deprive that proceeding under subsection 3 of section 8 of the rights under the Arbitrations Act. Section 6 says: "The Arbitrations Act does not apply to the proceedings under this Act."

What you might say in response, I'm not certain, is that the proceedings under subsection 3 of section 8 result from the Labour Relations Act and not from proceedings under this Act. But I think, quite frankly, that you might find yourself up against that argument. All I'm suggesting to you is that you contemplate an addition to section 6 saying "save and except subsection 3 of section 8." The section would then read:

"The Arbitrations Act does not apply to the proceedings under this Act save and except the proceedings contemplated by subsection 3 of section 8."

Mr. Renwick: It sounds very logical.

Mr. Bullbrook: Yes.

Hon. Mr. MacBeth: I'm getting some instructions here, because the point you raised is one that I hadn't considered. I don't think there is any problem with section 6, subsection 2, the Statutory Powers Procedure Act. We're quite happy to have that come out. It's when we get down to section 37, there has to be reference under that section whether you want the Statutory Powers Procedure Act to apply.

Let me see what my note says: "The Arbitrations Act does not comply to all arbitrators under the Labour Relations Act; see section 37(11) of the Act."

Mr. V. M. Singer (Downsview): That is 37(11)?

Hon. Mr. MacBeth: I think that 37(11) is referring to the Labour Relations Act.

Mr. Renwick: That's right.

Mr. Bullbrook: Does it apply to the Statutory Powers Procedure Act, because we're going to get into that in a moment?

Hon. Mr. MacBeth: Yes, right.

Mr. Bullbrook: We're going to get into the application of the Statutory Powers Procedure Act to any proceedings under subsection 3 of section 8.

Hon. Mr. MacBeth: If I just may read that; it's very short. Section 37(11) of the Labour Relations Act: "The Arbitrations Act does not apply to arbitration under collective agreement."

I'm not so sure I'm clear in my mind. I hope the member is.

Mr. Renwick: The minister is right.

Mr. Bullbrook: I don't want to get overly technical, but this isn't a collective agreement. You realize that there's no collective agreement in force. They say "as if the collective agreement was still in operation." Correct? The Labour Relations Act refers to collective agreements and grievances in arbitration proceedings pursuant to collective agreements. This subsection just said that it applies and inures benefits to the parties as if the collective agreement was in force.

I invite your consideration that you still could be in trouble, but I'm not going to carry it forward any more. Frankly, I'm somewhat placated by the subsection that you've read to me.

Mr. Chairman: Does section 6 carry?

Section 6 agreed to.

Mr. Chairman: Section 7, the member for Downsview.

Mr. Singer: Mr. Chairman, I'm bothered by the provisions of section 7. Section 7 provides for a 12 per cent increase. That figure sort of strikes a harmonious chord because it seems to me that 12 per cent was in a mysterious statement delivered by the Premier which was delivered by some unnamed person to the mayor of the city of Toronto, who then saw fit to read it over television. We never really did get to the basis of it. But it only provides that the 12 per cent shall be retroactive.

What concerns me is that the negotiations —the substantial part of the negotiations—have related to much more than 12 per cent. In fact, the union is asking for 40 per cent. The union seemed to indicate, or Mr. Moynehan seemed to indicate that he was prepared to come down to 30 per cent. It would probably be not unreasonable to assume that the end figures that an arbitrator is going to arrive at lies somewhere between the 23 per cent and the 30 per cent, but it should be retroactive.

All this section says is that the 12 per cent should be retroactive. This bothers me, because the collective agreement has come to an end. I would like to see whatever financial arrangements are determined by the arbitrator to be retroactive to the date of the termination of the old contract. I think that's only fair. I'm not trying to guess what the arbitrator will do, either in amounts or what day you will bring forth his decision, but it would seem to me that it should be made abundantly clear in section 7 that whatever award he makes should be made retroactive to the date of the expiry of the old contract.

With this in mind, Mr. Chairman, and reading some of the definitions of the Act, I am going to move an amendment.

Mr. Singer moves that section 7 be amended by adding at the end thereof the following:

> . . . provided that if the arbitrator determines that any increased financial benefits be awarded to any employee, whether hourly rated or not that if the arbitrator determines that any increased financial benefits be awarded to any employee, that the same shall be retroactive to the day immediately following the expiry date.

Mr. Singer: I am not sufficiently knowledgeable about whether we are dealing only with hourly rated employees, or whether we are dealing with weekly paid, or monthly paid and so on. And "financial benefits" means not only salary; it may be pensions, sick benefits or anything else.

The words "expiry date" are defined in the Act, and I think this makes good sense. What in fact we are doing today or tonight or tomorrow, or whatever time we are doing it, is to say that there shall be a determination as of the termination of the old contract. So I am urging that the minister accept this recommendation and that whatever award the arbitrator makes relating to financial matters—and it really doesn't matter whether the pocket in the overalls be retroactive or not; it is relating to financial matters—be made retroactive to the expiry date of the old contract.

Hon. Mr. MacBeth: Mr. Chairman, if I may speak on that for just a moment, it is my understanding that the way the 12 per cent was arrived at was that this was the figure that both parties had agreed upon. Now I don't think they had necessarily agreed as to when the adjustments would become effective, but this was only the first step in various proposals. In other words, there was to be 12 per cent at one point, an additional per cent at some other point and maybe on two terms or three terms depending on whatever they could agree upon. So that I think that will probably still happen, that there will be an additional award in the second year, or at the end of eight months or some other term.

I don't think it was even contemplated by the parties at this time that they were, for instance, asking for 40 per cent right away. This was spread over.

I would be most hesitant, of course, to do what the member suggests because I think it would limit the scope of the arbitrator. In other words, if he had to make everything retroactive to the time of expiry of the old contract, he could not have the flexibility that he would have in saying, for instance, that after eight months there would be another increase of a certain size—

Mr. Singer: All right, I hear what the minister says but I am not quite prepared to accept that. It would seem to me that as of the expiry date—and that's the date defined in the definition section of the statute—everything more or less has come to an end, and I don't think it is reasonable to say that only 12 per cent of that should be retroactive.

Let me try to reason with the minister for a moment: Perhaps my wording is a little too broadly cast, and if there is a 40 per cent end award it would be unreasonable to make all of that retroactive. But the minister surely can grasp the thrust of my amendment? I don't want the arbitrator to be put in the position, or believe that he is statutorily directed that he is in the position, that only a 12 per cent award retroactively can be granted.

Today is Aug. 31. Let's suppose the arbitrator starts in the middle of September and he listens to representations and arguments backwards and forwards; and about the middle of October he comes up with an award and says, "In my opinion, the wage in the first year should be increased by 17 per cent. However"—I think you will find sections in the statutes that will support this view—"I am only allowed to make 12 per cent of that retroactive to the date of expiry; the other five per cent can only date from the date of my award." I don't think that's fair. Between my wording and the minister's thinking there has to be some kind of a compromise. The arbitrator has to be given clear power that the portion of the award that he determines shall be applicable in the first year shall relate to the expiry date. I grant that my quickly scribbled wording may be at fault, but surely it has to be fair and reasonable that the portion that the arbitrator determines is awardable in the first year be retroactive to the expiry date. Let the minister play with my wording and introduce the appropriate amendment.

Hon. Mr. MacBeth: I understand what the member is saying but I ask him to look at the last three lines: " . . . but nothing in this section prevents the arbitrator from granting increases in the basic hourly wage rates in excess of those established in this section."

Mr. Singer: I don't think that's enough. I think the arbitrator should be clearly directed by us to say that whatever he allocates in the first period—

Mr. R. F. Nixon (Leader of the Opposition): If he does.

Mr. Singer: —If he does, shall be made retroactive to the expiry date. Otherwise, you are inviting the arbitrator to deprive the union of the portion of the increase in financial benefits that will be available in the first period. He may want to stagger it. He may want to say X per cent in the year 1974 and Y per cent in the year 1975. I think we have clearly, distinctly, definitely and in unmistakeable language to direct him to the fact that whatever his first award is shall be retroactive to the expiry date and not just 12 per cent to the expiry date.

Mr. Chairman: On this point the member for Windsor West was first up and then the member for Hamilton East.

Mr. E. J. Bounsall (Windsor West). From the way the member for Downsview has now stated it I am in firm agreement with it. This was some concern of mine about the 12 per cent in here retroactive to the expiry date of the contract, and surely we must consider this 12 per cent that is in the legislation as a base figure and expect any arbitration award to go above that.

Our concern was that the award may in that first period, as now clearly enunciated by the member for Downsview, be higher

than 12 per cent of course and be in its entirety retroactive to, in this particular case, July 1. We were fully knowledgeable in our caucus of the 23 per cent and the 40 per cent being split up into three different sections, one at the expiry time and one each at two different eight-month periods thereafter. That didn't bother us, but we were a bit concerned, as precisely indicated by the member for Downsview, if the first portion of the award, for example, be 16 per cent from the arbitrator, that that 16 per cent be backdated, when it comes to July 1, the expiry date of the old contract, and not just the 12 per cent back dated and then another four per cent to start at the conclusion of the handing down of his arbitration award.

That is the principle and a section quite worth building into this section.

Mr. Chairman: The member for Hamilton East is next.

Mr. R. Gisborn (Hamilton East): Mr. Chairman, now that the guillotine has fallen and the House has adopted the compulsory principle of the bill, I don't think that we can now set out the terms too definitely as to what should take place.

First, I am opposed to setting in here the retroactivity of the total amount. I would agree that if we set an allowance in the bill that that should be retroactive, but in many cases the union might make representation and say they want to bargain off all of the retroactivity for something else or they want to bargain off a portion of the retroactivity for something else, and they may make that very clear in their representation to the arbitrator.

I don't think we are doing a service to the union or to the arbitrator by setting the terms in this bill ourselves, except where the amount is set firmly, as set here. Now we have here set 12 per cent. Fine, I would think that could be retroactive. If they want to change the figure of 12 to 15 or 20, then I would agree that that should be retroactive because it is so implied in the bill. But I would not go along with the feeling of the member for Downsview that any amount agreed upon should be retroactive. We should leave that to the representations made by the union so that they are in a bargaining position.

Mr. Chairman: The member for Wentworth.

Mr. Deans: I want to suggest a way of dealing with it. My colleague makes a convincing argument but not quite convincing enough for me.

I'd like to suggest to the minister that one way it could be dealt with, since I happen to think it ought to be retroactive and should be guaranteed, is that he could add to the end of section 7 that any increase applicable to the period between the expiry date and the date of the award shall be retroactive to the day immediately following the expiry date. That means if the award is brought down on Nov. 15, for example, then there is an undue delay, as there may well be because of the intricacies of dealing with some of the matters, but those people will not be in any way deprived of the full benefit of the award for the period from the date which the contract expires to whatever the final date is of the first portion of the award.

Let's assume for a moment that the arbitrator decided that he or she was going to give 15 per cent. Only 12 per cent of that need by law be retroactive. But, by adding the wording that I am suggesting, it would guarantee, regardless of the date of the award being given, that the total amount of the first stage of the award would automatically be retroactive to the expiry date of the old contract.

The arbitrator need not then be as rushed as he might normally have been. It gives him the chance to look into all matters fully and guarantees that the workers will receive the full benefit of any award once the award is finally given. If the member for Downsview agrees with that wording, I would like to suggest it as an alternative to the motion that he made.

Mr. Bullbrook: Would the member mind reading it again?

Mr. Deans: Yes. What I said was to add to the end of section 7 "any increase applicable to the period between the expiry date and the date of the award shall be retroactive to the day immediately following the expiry date."

Mr. Singer: Mr. Chairman, can I say that the member for Wentworth and I are talking about exactly the same thing? I'm prepared to accept his amendment or an alternative proposed by the minister as long as we achieve the common principle that we have both been putting forward and that other members have been putting forward. If the minister feels there is better wording than either I or the member for Wentworth have put forward, I would be quite prepared to go along with it. I would concede that

the present wording put forth by the member for Wentworth is probably a little better than mine. It may be that the minister or his advisers have a little better wording.

The principle that we are arguing is abundantly clear. It is a fair principle and I would argue that the minister adopt in some form one of the two put to him, or perhaps adopt his own.

Mr. Chairman: The member for Scarborough Centre.

Mr. F. Drea (Scarborough Centre): While I am sympathetic to the member for Wentworth, I would like to point out that we have some difficulties in here—not so much with the last three lines but with two words in the last three lines. The member for Downsview, as usual, hasn't taken a look beforehand.

Mr. Singer: Oh, come on. This is typical of your stupidity.

Mr. Drea: Oh, calm yourself down. You are putting on a charade all day. Just calm down, will you?

Mr. Singer: That is typical of your stupidity. We are trying to work out a reasonable solution and it is typical of your whole approach to labour matters and other matters.

Mr. Drea: But you don't know what you are talking about and you are going to get the people into some difficulty. That's why I want to talk to the member for Wentworth.

Mr. R. F. Nixon: You should talk to the Chairman.

Mr. Singer: Yes, under the rules of the House.

Mr. Drea: Well, I will talk to the member for Wentworth, through the Chairman, and you can all do your little thing.

Mr. Singer: What is your little thing?

Mr. Breithaupt: It's between his ears.

Mr. Chairman: Order, please.

An hon. member: Not much.

Mr. Reid: You are a refugee from the Howdy Doody show.

Mr. Drea: If I was the labour critic in my party and as inept as you, I wouldn't make remarks about me, so just cool it.

Interjections by hon. members.

Mr. Drea: One of the difficulties in this is we have expiry dates. We have three local unions involved with three different expiry dates. That's what concerns me.

Mr. Renwick: Two dates, three unions.

Mr. Drea: Well, two dates, all right, fine.

Interjections by hon. members.

Mr. Chairman: Order, please.

Mr. Singer: A lot of research as usual.

Mr. R. F. Ruston (Essex-Kent): He'd better read it again.

Mr. Drea: We don't have in this common expiry dates. We have three local unions involved. It seems to me that the two words "but nothing" cover these.

An hon. member: That's quite true.

Mr. Singer: That's very clear.

Mr. Reid: You are making great progress.

Mr. Drea: It seems to me that the two words in those last three lines "but nothing" —and then it goes on to say "prevents the arbitrator from granting increases in the basic hourly wage rates"—cover the situation. If you are going to reasonably present this kind of an amendment and you are going to put into specific language that there is retroactivity—whereas this is pretty universal—we are going to get into some problems with those on common expiry dates.

I can understand why this was put in. I think it is reasonable when you say in those last three lines "but nothing prevents the arbitrator from". Then we got down to the second crucial point, which is the basic hourly wage. And while the basic hourly wage isn't defined specifically, I think that, on a reasonable basis, the basic hourly wage, when it is being implemented by an arbitrator, involves the principle of retroactivity.

Mr. Singer: Oh, come on.

Mr. Renwick: That's exactly the point. It doesn't.

Mr. Drea: Oh yes, it does. Of course it does. It may very well be that in return for something else over the course of this contract, the union may want to trade certain aspects of retroactivity for something in the future or something in the present. And to limit the arbitrator—

Mr. Singer: Yes.

Mr. Drea: —and I think that's what we're doing if we put in the thing about retroactivity and we have to put in retroactivity on the basis of each one of the three locals.

Mr. Deans: That's what I've got. That's what I have.

Mr. Drea: It is my feeling that you're really tying the hands of the arbitrator.

Mr. Lewis: That's right. That's what we are doing.

Interjections by hon. members.

Mr. Drea: It's wide open, but nothing prevents him from—

Interjections by hon. members.

Mr. Drea: Then if you want to limit the hands of the arbitrator, by all means proceed; but it seems to me that we say that nothing will prevent him from giving an award based upon the basic hourly wage rate and the definition of what that is.

Mr. Deans: Okay, can I say something?

Mr. Drea: Yes, go ahead.

Mr. Deans: It's quite conceivable that the arbitrator could come down with an award like this. He could give 12 per cent retroactive to the date of expiry of each of the contracts up to Sept. 1. He could then give an additional two per cent to Oct. 15 or the date of the award. Okay? We'll say that's the date of the award. What I'm saying, and I don't think what the member for Downsview is saying, is this: If he is going to make an award, until such time as the award is given, any increase granted by the arbitrator should automatically be retroactive to the date of expiry of the contract—

Mr. Singer: Right.

Mr. Deans: —which in each case, since there are two cases, would be different dates. I'm just trying to be sure that the arbitrator doesn't simply take the 12 per cent and say that's already been granted and therefore I will start to operate as of tomorrow; its retroactive from today back—

Mr. Singer: Or from Oct. 15.

Mr. Deans: —and from tomorrow on we'll have a different level which won't be retroactive back to the expiry date and therefore, because of the strike and because of the problems that arose, those workers will lose that retroactivity. I'm suggesting therefore that there should be an addition at the end. Let me go through it again if I may.

Mr. Deans moves that there be added after the word "section" in section 7 the following:

> Any increase applicable to the period between the expiry date and the date of the award shall be retroactive in each case to the day immediately following the expiry date.

Mr. Bullbrook: The word "award" is not used; it is "decision."

Mr. Deans: I'm sorry, I thought it said "award."

Mr. Bullbrook: Does it? I'm sorry, I thought 5(1) said "decision."

Mr. Deans: Oh, I am prepared to change "award" to decision. I'm sorry.

Mr. Singer: As I said, Mr. Chairman, Id be very interested to hear what the minister believes—what his advisers have told him—and dependent on that I will either withdraw my amendment in favour of the hon. member for Wentworth.

Mr. Lewis: I think the amendment makes very compelling sense. Its a reasonable amendment and one which protects the workers involved. Might I just say, Mr. Chairman, that one of the things the minister said is not really accurate and reinforces the position put.

Hon. Mr. MacBeth: That may be the cause of some of the trouble.

Mr. Lewis: You implied that the 12 per cent was an agreement at some point between the parties. It wasn't, of course. The 12 per cent was the last offer of the company and the company offered 12, five and six. The union responded with 27 and seven. Since theres a disparity of eight per cent at the last offer, then surely one attempts to find the middle ground for the arbitrator, which is then made retroactive as this amendment would require.

Hon. Mr. MacBeth: Let me just clear the point that you're making. I have a note here which I was going to read: 12 per cent was the last TTC offer; it was not agreed upon. The rest of what you said is correct.

Mr. Deans: And we want to be sure that the decision is retroactive.

Hon. Mr. MacBeth: All right, now. Certainly the arbitrator has that right to make it retroactive.

Mr. Deans: If he wanted to.

Hon. Mr. MacBeth: Youre saying that you want him to be directed to make that retroactive.

Mr. Singer: It should be mandatory.

Hon. Mr. MacBeth: Well, that may cut what he does later on—and you're saying that's taking a chance on it.

Mr. Deans: I will take that chance.

Mr. Drea: He has it now.

Mr. Deans: No.

Hon. Mr. MacBeth: Let me just consult again with my people here.

Mr. Singer: Can we agree that we only have one Minister of Labour?

Hon. Mr. MacBeth: Yes, that's right. It's easy for me to—

Mr. Lewis: We'll be glad if you speak to your advisers. It is your backbenchers that worry us.

Hon. Mr. MacBeth: It's easy for me to agree to something that may have some ramifications which I don't understand.

An hon. member: Why don't you listen to your backbenchers?

Hon. Mr. MacBeth: Now, as far as this point is concerned, it doesn't bother me. I've looked at it, but he has that power now anyway. You're just saying that is something you want to make mandatory.

Mr. Singer: Mandatory, that's right.

Hon. Mr. MacBeth: You're not questioning his power? Let me just take a moment.

Mr. Chairman: Any other comments on this section at this time?

Mr. Singer: We only want one Minister of Labour sitting on the government side.

Hon. A. Grossman (Provincial Secretary for Resources Development): There's nothing to stop us from having two.

Mr. Singer: Well, if you're prepared to say it—two order papers, two Ministers of Labour, two heads, fine.

Mr. Reid: What does the Provincial Secretary for Resources Development do over there now?

Mr. Singer: He's in charge of order papers.

Interjections by hon. members.

Hon. Mr. MacBeth: Mr. Chairman, I'm sorry but we feel that we want to leave the arbitrator with the right to use that power as he sees fit, one way or the other.

Mrs. M. Campbell (St. George): Who feels?

Mr. Singer: Mr. Chairman, in view of this I will let my amendment stand.

Mr. Chairman: The hon. member for Sudbury.

Mr. M. C. Germa (Sudbury): Mr. Chairman, I would like to get a clarification on the first line of section 7 where it makes specific reference to the basic hourly rates of wages. Now, some people make all of their salary or income from wages per hour, and some people make part of their wages from a rate per hour plus a certain mileage allowance. Did you think about the mileage allowance when you said that only the basic hourly rates of wages would benefit from this 12 per cent retroactivity? Or is it your impression that those people who make part of their income from mileage allowance would also be included as hourly rates of wages?

If you are only thinking about those people who earn salaries at a certain rate per hour, then I think you are doing a disservice to those people who are on a mileage basis as well, because the mileage basis is to some degree part of their hourly rate as well. I don't know how many people this would involve, but I am sure that there are a considerable number of persons who are paid on the mileage rate.

Hon. Mr. MacBeth: Mr. Chairman, it goes back to the same point I have been trying to make, that it is entirely open to the arbitrator. The only reason for putting this 12 per cent in there in the first place was to make sure it wouldn't be any less than that.

Mr. Drea: That's right.

Hon. Mr. MacBeth: I want to leave the arbitrator as much flexibility as possible; there is the suggestion that if we do this, we are cutting down on how he can perhaps bring the parties together on this thing. We want to leave him as wide a scope as possible.

Mr. Germa: Mr. Chairman, I think the minister hasn't looked at this section very clearly. Twice in this section it makes reference to basic hourly rates of wages: In the second line it says they shall be increased by 12 per cent; then it says, "but nothing in this section prevents the arbitrator from granting increases in the basic hourly wage rates." So you have twice eliminated everything except basic hourly wage rates. You haven't given the arbitrator the right to raise anything except basic hourly wage rates; you have eliminated mileage rates completely from this segment.

Hon. W. G. Davis (Premier): That's wrong.

Mr. Germa: Read the section.

Mr. Drea: I have, you haven't read it.

Mr. Germa: What are the basic hourly wage rates then?

Mr. Chairman: The member for York-Forest Hill.

Mr. Deans: You know he is right.

Mr. Singer: Of course he is right. That's why I worded my amendment the way I did; I said, "financial awards."

Mr. P. G. Givens (York-Forest Hill): Mr. Chairman, I want to ask the minister a question on another point. May I proceed to it? On section 7?

Mr. Chairman: Well, we have an amendment and an amendment to the amendment. If it is in order, we will take those now.

Mr. Renwick: Mr. Chairman, one point on this section: I don't want to be caught with the section having been carried.

Mr. Chairman: The member for Riverdale.

Mr. Renwick: It is not a point by way of amendment and it is quite different from the matters which have been discussed.

Mr. Givens: On another point I want to ask my question.

Mr. J. F. Foulds (Port Arthur): I would like to speak to the amendment if I might, Mr. Chairman?

Mr. Chairman: On the amendment, yes.

Mr. Givens: Mr. Chairman, on section 7 there are continuous references to the expiry dates of the old contracts, but no reference is made in section 7 or in any other section of this bill as to the expiry dates of the new contracts. Now is it to be assumed that the expiry dates of the new contracts will be two years or one year, or is that to be left flexible?

Mr. Lewis: They have agreed to two years. He read that out.

Mr. Givens: Has the minister read that out? I beg your pardon.

Hon. Mr. MacBeth: The term of the agreement is one of the points, Mr. Chairman, that I understand was agreed today. The company agreed to two years from July 1, 1974.

Mr. Chairman: The member for Port Arthur.

Mr. Foulds: Mr. Chairman, might I speak to the amendment put by the member for Wentworth?

I suppose nothing more fundamentally divides us in this party from those across the way than this particular item, because they have great faith in the compulsory arbitration process. We have less faith in the compulsory arbitration process—

Mr. Drea: And therefore you will destroy it.

Mr. Foulds: —and that is why we are willing to go a little further in ensuring that the men get a fairer and higher retroactive award. If that means binding the arbitrator's hands a little bit tighter than you have bound them, we are willing to do that.

You cannot make the argument that you want to provide the arbitrator with untold flexibility, because in the section you have bound him to retroactivity as a principle and you have bound him to a specific rate.

Mr. Drea: He hasn't.

Hon. Mr. MacBeth: As a minimum.

Mr. Foulds: As a minimum. You will say you have made the point that he may find a different wage and he may make that retroactive.

An hon. member: And he may not.

Mr. Foulds: We are saying that the first rate that he establishes for the duration of the contract should be retroactive in its entirety. It is that principle that we disagree on and on which we have moved a specific amendment to toughen up the section to grant more assurance to the workman because we have relatively little faith in the compulsory arbitration process.

Mr. Drea: Mr. Chairman, if I could, I was rudely interrupted before and I really think I can finish up on this.

If we were to accept that, I suggest to you, and I say it to my friend from Wentworth who threw me out some examples, just supposing the arbitrator comes down and goes along with the 12 per cent which is automatically retroactive—

Mr. Foulds: He has to.

Mr. Drea: Okay, he has to. I said automatically. Then says, "In view of the cost of my settlement, the next award"—and let's take it that it's a couple of months away—"will be five per cent and that that will be retroactive." He argues that on the basis of the restrictions you are putting in that he really cannot award anything after the initial one which is automatic and is being done tonight. He comes back on that one and then he limits it because of the total cost of the package. You are tying his hands.

Mr. Foulds: You have tied his hands already.

Mr. Drea: All I'm saying to you is that with the two words "but nothing," he has no restrictions whatsoever on what he has to arbitrate. I can accept the argument that you don't believe in the ability of the arbitrator.

Mr. Foulds: No. We don't believe in the ability of the principles or policy involved in compulsory arbitration.

Mr. Drea: Okay, it's the same thing. You don't believe in the ability of the arbitrator to come up with a just settlement. I'm saying to you if you limit that, then believe me you are believing in that principle, because you are making sure that the arbitrator is going to put in—

Mr. Lewis: The member for Scarborough Centre had better let the minister handle that.

Mr. Drea: —and by compulsion a lesser award that may be retroactive than what he could do if those two words "but nothing" and then the next three lines are left. I think that is as close to a blank cheque as is humanly possible to give—"but nothing will prevent."

Mr. Chairman: The member for Riverdale.

Mr. Renwick: Mr. Chairman, this is an entirely different point. I would ask the minister if he would carefully note what I have said and draw it to the attention of the arbitrator. I've had two occasions where there have been awards made by an arbitrator where the effect of the awards, since it must be at a time in the future, has been to deprive employees who left the employ of the employer during the course of time between the expiration of the collective bargaining agreement and the time when the award was made. The arbitrator has made his award as applicable only to those persons who were employees at the date of the award, with the result that anyone who severed his employment through death, through retirement or any other reason in the interval is deprived of what his pro rata share of whatever the benefits would be up to the date when he leaves that employment.

It happened specifically in the Toronto Hydro—Electric dispute which was settled here by legislation. It happened again in another award situation with Ontario Hydro. When the question was then raised as to whether or not the persons who had left the employ in the interval could be covered in some way and the arbitrator could be asked to amend his award, the answer came back that he had completed his work and in that beautiful language of the law was functus and nothing could be done. A very real injustice was done to a number of persons; through the good graces of the then chairman of the Toronto Hydro-Electric Commission, Mr. Gardiner, in his own way, it was clarified that Ontario Hydro didn't feel that they could help their situation.

I would ask that this arbitrator not fall into the trap of covering only those employees who were employees at the date of this decision, because that will exclude those who have left in the interval from sharing whatever the pro rata or proportion of interest they would have in the benefits granted on a retroactive basis and up to the date on which they did in fact leave the employ.

Mr. Foulds: Mr. Chairman, I would just like to support the points of my colleague, the member for Riverdale. It even happened with the arbitration agreement brought down by Emmett Hall for the railway workers. I have had several constituency cases surrounding this issue, and it has worked a real hardship on people who worked for several months in that case for the railway after the termination of the agreement and yet they did not get the money and there is no way they are going to. So I certainly support the member for Riverdale on that point.

Hon. Mr. MacBeth: Mr. Chairman, I assume I have no right to instruct him, but I will certainly ask him to cover the point. I don't think that's beyond my right to do.

Mr. Singer: The minister has every right in the world.

Mr. Chairman: We have the amendment moved by Mr. Singer, and an amendment moved by Mr. Deans. Is it necessary to read them?

Some hon. members: No.

Mr. Chairman: We have the amendment of Mr. Deans.

Those in favour of this amendment, please say "aye."

Those opposed, please say "nay."

In my opinion, they "nays" have it.

We have now the amendment of Mr. Singer.

Those in favour, please say "aye."

Those opposed, please say "nay."

In my opinion, the "nays" have it.

Shall section 7 carry?

Mr. Deans: No, I want to make one other comment on section 7 if I may. I am not going to move any amendments because I don't want to be put in the position of settling both the upper and lower limits at the same time, but I think in case the arbitrator should ever read the debates, he or she should be made aware that it is the desire of this House that the award given by the arbitrator should certainly not be less; in fact, it is the desire of this House that the award of the arbitrator be considerably more than the last offer given by the Toronto Transit Commission.

Section 7 agreed to.

On section 8:

Mr. Chairman: The member for Scarborough West.

Mr. Lewis: Yes, I want to say something about section 8 which I think flows logically from section 8(2)(a).

The Globe and Mail tonight has a story headlined, "Bill Orders Strike End." The first paragraph reads:

> The Ontario Legislature moved last night toward certain approval of a bill ordering an end to Toronto's transit strike, but it appeared unlikely that the city's trains, buses and streetcars would be running today.
>
> Despite the heavy penalties for defying the bill, leaders of the Amalgamated Transit Union did not recommend that their members return to work this morning, and union president Leonard Moynehan dropped from view last night.

I want to say a word about this, Mr. Chairman—

Mr. Bullbrook: What are the penalties the Globe talks about?

Mr. Lewis: It says: "The penalties would be the penalties applicable under the Ontario Labour Relations Act, $1,000 a day and $10,000 for the union."

Mr. Chairman, I guess I want to address these remarks if possible to the Minister of Labour and perhaps indirectly to the Premier as well.

It was the profound hope of everyone, I think, and with the best will in the world, that the transit system be running as quickly as possible and hopefully tomorrow. I really don't think that is going to happen. I suspect that the meeting of the union on Sunday, the mass meeting which they have called for noon on Sunday will probably have to take place first. But whether or not that's the case, and that is just speculation on my part, I want to urge the Minister of Labour to try to draw the transit commission to its senses before it does very great damage to the way in which this bill is implemented. I think that is a matter of some importance.

The Toronto Transit Commission today, without authority and with an insensitivity which is startling—and my colleague, the member for Wentworth, described it—started phoning them and directing them back to work before the bill was even introduced into the Legislature. The Toronto Transit Commission tonight, or during the course of the day but into the evening, whoever the civil service is, started phoning men and directing them to jobs with no reference to seniority whatsoever despite the fact that seniority is part of the contractual arrangement for signing up and reporting for work.

Yesterday, five minutes before the mass meeting took place—I have it here on my desk; I could read it—Mr. King, I presume on the authority of the commissioners, delivered to Moynehan a letter indicating that if he didn't have a cheque in his hands by noon on Friday, the benefits would be cut off for all the workers.

Now, I'm telling you, Mr. Chairman, these people are nuts. They don't know what reasonable human relations are. And there's enough provocation and enough irritation already. And if you want these workers to go back to their jobs in a spirit of goodwill, then tell the commission to lay off.

Mr. Drea: Oh, come on.

Mr. Lewis: No, I am very serious about that, because if you want the system operating by Tuesday, then you approach the people sensitively. And I think it would make a great deal of sense for the Minister of Labour himself to say to the workers: "We, the government, would wish that you return as quickly as possible. We understand you have regular sign-up procedures. Please see that they are implemented."

It might also be useful for the Minister of Labour to say to the transit commission: "For God's sake, we passed a bill in good faith. Don't provoke the workers. Don't aggravate them so much."

I must have spoken to 20 or 30 of them this afternoon who were really offended by phone calls being placed to them in violation of seniority arrangements, directing them back to work while you were still introducing the bill. I really think that if things aren't going to get out of hand at that meeting on Sunday, and if we are to get an orderly transition, that it is necessary for you to say that to the commission.

I think we can have the system going in two or three days and back, hopefully, to full operations on Tuesday. But it won't happen if the commission is going to act in such a perverse fashion. And I think I've given you enough evidence to show of what that perversity consists.

Hon. Mr. MacBeth: Mr. Chairman, I haven't heard all of the details. I have it only by rumour and what the hon. member for Scarborough West has now said about the OHIP matter, about the telephone calls. They are a little difficult for me to understand, particularly the OHIP matter; it comes to me as a bit of a surprise. It might be legally right, but it certainly doesn't seem to me to be morally right.

Mr. Lewis: It's not even legally right, as a matter of fact.

Hon. Mr. MacBeth: The province and the city are certainly dependent on the goodwill of the workers and anything I can do to keep that I certainly want to do, and if it's consistent with the bill. So I will see what can be done to talk sweet reason.

Mr. Renwick: Mr. Chairman, I am just a little bit worried about whether "sweet reason" can override the provisions of the bill in the light of what the leader of this party has said. This bill is going to come into force on the moment it receives royal assent, which will mean that it will be in force all day Saturday. The intimation in the Globe and Mail is that for practical purposes the notification of the terms of the bill as to the members of the transit union—and leaving aside that suggestion that everybody in North America or everybody in the Province of Ontario is deemed to know the law the moment it becomes a law; leaving that fiction aside—if it is true, in fact, that the return to work in an orderly way does not get under way in any substantial way until Sunday, I don't want to find that the commission is then taking the position that there is going to be a difference between them as to whether or not subsection 2, item (a) has or has not been complied with and that we are immediately going to be faced with the kind of arbitration envisaged under section 37.

Now, I would not again raise the question except for the obvious problems that even the minister can't understand with respect to the way in which the commission has already started to act. Now, as my leader has said, if there is any suggestion in the commission's mind that they are going to suggest that the men have got to start back to work tomorrow, and if in fact the orderly return to work doesn't take place until Sunday, that there has been a breach of the statute, and that the matter must go to arbitration, then in that kind of a situation we are simply dealing with a group of men who can't understand what it is all about. And I'm afraid they are exactly that kind of group of men.

The minister has indicated he can't understand why they've done some of the things in the interval, and I want to make absolutely certain that the mutual goodwill which is necessary to make this thing work isn't destroyed in the very first instance by some ridiculous stand by the commission.

Mr. Chairman: Shall section 8 carry?

Mr. Renwick: Is the minister going to permit an arbitration to take place under subsection 3 of section 8 if there is no return to work in an orderly way commenced until

Sunday when this bill is in force all day Saturday?

Mr. Lewis: Would you answer that, and then I want to ask you something?

Hon. Mr. MacBeth: It is a little difficult for me to answer, Mr. Chairman, but not if it is a matter of my discretion.

Mr. Renwick: Right. That's what I was afraid of.

Hon. Mr. MacBeth: Yes, if it was a matter of my discretion, but it is not. I can't prevent the functioning of the law if somebody else does something.

I would not expect that. Certainly from the government's point of view we are not interested in prosecuting anybody. We simply want to retain the goodwill and we want to get the system moving as quickly as possible. I would hope that there might even be something moving today. I realize, looking at the clock, if it is moving today it will have to be by goodwill.

There is a procedure established for signing up. We had some thought about it in trying to draw up this section, and we said the best we can do, because there is a board and that board changes at the end of September. We were hoping they could start on the old board, but we say their regular practices, so that if they don't get this into effect until September we realize that there could be another two days' delay perhaps. We don't want that sort of thing—when I say "we", we the government—in wanting to get this transportation system rolling again can be also frustrated within the law, and we don't want that sort of a situation.

In other words, it depends on goodwill to make it work. Certainly, that's why I say I am alarmed at these things that have been reported to me. But I can't give anybody immunity, as you know, from prosecutions or anything else that might be beyond my control.

Mr. Lewis: No one is asking you to do that, but the esteemed chairman of the transit commission is sitting in the press gallery. Maybe you can tell him what you feel, as the Minister of Labour, the conduct of the commission might be.

I read in the Globe that, had we passed the bill by midnight, if it is approved by midnight, Mr. Mallette says we expect to have all our services running at 6 a.m. including the Exhibition streetcars. Do you think that is a reasonable way to deal with the men?

Mr. R. F. Nixon: It is impossible.

Mr. Lewis: Is that not an invitation to trouble over the next three days or isn't it?

Hon. Mr. MacBeth: Mr. Chairman, I might question the word "expect" as opposed to "hope." I can see him understanding "hope"; "expect" maybe is too—

Mr. Lewis: May I say, Mr. Chairman, that this is exactly the danger that now arises. I have no influence, I understand that. None of us on this side of the House does in this situation, but I implore you to make it clear that if there is that kind of provocation, then you are dealing with people who feel they have been pressed to the wall anyway and you are inviting trouble. I urge you to remove that possibility by indicating as Minister of Labour that you would like the transit commission to be as encouraging, as thoughtful, and as sensitive as possible in the next 72 hours.

Hon. Mr. MacBeth: I hope they will be just that.

Mr. Chairman: Is section 8 carried? The member for Port Arthur.

Mr. Foulds: Mr. Chairman, it is as it relates to section 8 that worries me. The paper says, "If any men do not return to work," Mr. Mallette said, "the TTC would probably look at each case individually—"

Interjections by hon. members.

Mr. Foulds: "—before deciding whether to ask for the $1,000 fine to be levied as provided in the legislation."

Mr. Drea: Mr. Chairman, on a point of order, despite what is in the Globe and Mail or anything else or what is not, there is a commitment from the Minister of Labour. Mr. Chairman, continuing on, if I would have read the Globe and Mail this morning and taken everything in it very seriously, I would probably not have made the remarks I did this afternoon. There has been no more orderly decent group of people than those who came in our galleries today.

Mr. Lewis: That's right.

Mr. Drea: If we want to go back 24 hours ago and read the Globe and Mail, everybody could have expected the worst.

Mr. Lewis: Not at all.

Mr. Drea: Mr. Chairman, please, the Minister of Labour has made his position; going

on and reading things out of a newspaper or out of something one way or the other isn't going to help.

Mr. Chairman: Order. The hon. member for Port Arthur.

Mr. Foulds: I was just going to ask the minister (a) if he finds that kind of statement slightly worrying; and (b) could he get in touch with Mr. Mallette and say, "Look, don't ask for that fine until"—can you phone him and say "Look, cool it, don't ask for awhile"?

Mr. Chairman: The minister has made a commitment. Shall section 8 carry?

Section 8 agreed to.

Interjections by hon. members.

Sections 9, 10, 11 and 12 agreed to.

Bill 119 reported.

Hon. Mr. Grossman moves that the committee rise and report.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of the whole House begs to report one bill without amendments.

Report agreed to.

THIRD READING

Clerk of the House: Order for third reading of the Toronto Transit Commission and Division 113, Amalgamated Transit Union, Lodge 235, International Association of Machinists and Aerospace Workers and the Canadian Union of Public Employees, Local No. 2.

Mr. Speaker: The motion is for third reading of Bill 119.

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the "ayes" have it.

Motion agreed to; third reading of the bill.

Hon. Mr. Winkler moves second reading of Bill 120, an Act to amend the Legislative Assembly Act.

LEGISLATIVE ASSEMBLY ACT

Mr. J. R. Breithaupt (Kitchener): Mr. Speaker, as a matter of interest, should it really not be Bill 121?

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Mr. Speaker, I think not. I really don't mind what the number of the bill is, but I'll move it as No. 120.

Mr. P. G. Givens (York-Forest Hill): Would you call it the Winkler-Nixon bill?

Hon. Mr. Winkler: Surely.

Mr. Speaker: The hon. Leader of the Opposition.

Mr. R. F. Nixon (Leader of the Opposition): Whatever the name of this bill, I certainly am glad that the steps have been taken to correct the anachronism that we've been talking about for some time. I would also hope that although the legislation still leaves the Premier a great deal of leeway in setting the date, I would hope that the new member for Stormont will be able to join us—on this side, of course—when the House resumes early in October.

Mr. T. P. Reid (Rainy River): Bring him on, bring him on.

Hon. W. D. McKeough (Minister of Energy): They'll regret bringing in that amendment.

Mr. V. M. Singer (Downsview): We're glad the minister is back.

Interjections by hon. members.

Mr. Speaker: Order, please. The motion is for second reading of Bill 120.

Motion agreed to; second reading of the bill.

Mr. Speaker: Shall the bill be ordered for third reading?

Agreed.

THIRD READING

The following bill was given third reading upon motion:

Bill 120, An Act to amend the Legislative Assembly Act.

Hon. Mr. Winkler: Mr. Speaker, Her Honour awaits to give assent to certain measures.

The Honourable the Lieutenant Governor of Ontario entered the chamber of the legislative assembly and took her seat upon the throne.

ROYAL ASSENT

Hon. Pauline McGibbon (Lieutenant Governor): Pray be seated.

Mr. Speaker: May it please Your Honour, the legislative assembly of the province has, at its present sitting thereof, passed certain bills to which, in the name of and on behalf of the said legislative assembly, I respectfully request Your Honour's assent.

The Clerk Assistant: The following are the titles of the bills to which Your Honour's assent is prayed:

Bill 119, An Act respecting the Toronto Transit Commission Labour Disputes Settlement Act, 1974.

Bill 120, An Act to amend the Legislative Assembly Act.

Clerk of the House: In Her Majesty's name, the Honourable the Lieutenant Governor doth assent to these bills.

The Honourable the Lieutenant Governor was pleased to retire from the chamber.

Hon. Mr. Winkler moves that the House do now adjourn to a date to be named by the Lieutenant Governor by her proclamation.

Motion agreed to.

The House adjourned at 1:45 o'clock, a.m.

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No. 98



Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Ninth Legislature

Tuesday, October 22, 1974

Afternoon Session

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

THE QUEEN'S PRINTER
PARLIAMENT BUILDINGS, TORONTO
1974

10

Price per session, $10.00. Address, Clerk of the House, Parliament Bldgs., Toronto

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, OCTOBER 22, 1974

The House met at 2 o'clock p.m.

Clerk of the House: Members of the legislative assembly, it is my duty to call upon you to elect one of your number to preside over your deliberations as Speaker.

Hon. W. G. Davis (Premier): Yes, Mr. Clerk; so that there will be no suspense, it is not the member for London South (Mr. White).

Hon. Mr. Davis moves, seconded by Mr. R. F. Nixon, that Mr. Russell D. Rowe, Esq., member for the electoral district of Northumberland, be the Speaker of this House.

Mr. R. F. Nixon (Leader of the Opposition): Mr. Clerk, in seconding the nomination of the member for Northumberland (Mr. Rowe), I want to wish him well in his new duties. This House has evidently established a reputation as being sometimes somewhat unruly. I think the reputation is ill founded, but being members here, we know from time to time that Mr. Speaker is put severely to the test as far as order is concerned and, in wishing him well, I can make no guarantees other than that we will respect the rules of the House and certainly his difficult duty in supervising them.

While I am on my feet, Mr. Clerk, I also want to express the appreciation of my colleagues, and my own appreciation, for the service of the member for Waterloo South (Mr. Reuter) during the past number of years as Speaker. Probably the best test is his impartiality, which, without doubt, goes without question in our experience in his performance of his duties over these years, but beyond that, as a man and as a friend, his example of courage and common sense is respected by us all.

Motion agreed to.

Clerk of the House: I declare the nominations closed and declare the Hon. Russell D. Rowe to be Speaker of this assembly.

Mr. Speaker: Hon. members, please accept my humble thanks for the high honour and privilege that you have given me today.

This is a moment of mixed emotions for me, I assure you. I am grateful that the hon. Premier and the hon. Leader of the Opposition saw fit to move and second my nomination for this high office.

At the same time, I am sure that all hon. members will join with me in regretting the departure of the member for Waterloo South from this chair. In all his relationships with members, he was mindful of the high responsibilities placed on him and his obligation to be fair to members from all sides of the House. He served us well, and I know that all hon. members join with me in regretting that his health would not permit him to continue to serve for the balance of this parliament.

At the time of his election to the Speakership in December, 1971, the member for Waterloo South stated that the privilege of serving as Speaker carried with it the responsibility to protect the rights and privileges of each one of you. In fulfilling this obligation, I will be ever mindful of the attributes given by Socrates to a judge: "To hear courteously, to answer wisely, to consider soberly and to decide impartially."

I ask also for your co-operation and for your prayers that I may be given wisdom to serve you well and fairly in order that each of you may discharge your responsibilities to this House and to the people of this province. This is a time of transition for this assembly. Hon. members are aware that the two reports from the Ontario Commission on the Legislature have recommended administrative changes within this House. They will place a considerably heavier burden on me than has been placed on any of my predecessors.

In accepting these responsibilities, I am mindful of the duty which all members of the assembly have to represent the people of their constituencies, to raise grievances with the ministers of the Crown and to scrutinize public expenditures. It is my personal desire to serve you in such a way that you will be able to carry out these responsibilities effectively and not be diverted by internal problems which can consume your time needlessly. So, mindful of the responsibilities that you have placed before me, and hopeful of

your assistance and co-operation, I accept the high office of the Speaker of this House which you have been pleased to confer upon me. Thank you.

The House will now adjourn during pleasure.

The Honourable the Lieutenant Governor then entered the House and took her seat upon the throne.

Hon. P. M. McGibbon (Lieutenant Governor): Pray be seated.

Mr. Speaker: May it please your Honour, the legislative assembly have elected me as their Speaker, though I am but little able to fulfil the important duties thus assigned to me. If, in the performance of those duties I should at any time fall into error, I pray that the fault may be imputed to me and not to the assembly whose servant I am.

Hon. A. Grossman (Provincial Secretary for Resources Development): Mr. Speaker, I am commanded by the Honourable the Lieutenant Governor to declare to you that she freely confides in the duty and attachment of the assembly to Her Majesty's person and government, and is confident that the proceedings will be conducted with wisdom, temperance and prudence.

The Honourable the Lieutenant Governor was then pleased to retire from the chamber.

Prayers.

Hon. W. G. Davis (Premier): Mr. Speaker, before statements from the ministry, if I—

Mr. Speaker: Sir, may I make an announcement, first of all.

I beg to inform the House that a vacancy has occurred in the membership of the House by the resignation of A. B. R. Lawrence, Esq., as member for the electoral district of Carleton East.

The hon. Prime Minister.

Hon. Mr. Davis: Are the members opposite optimistic about that one?

Mr. Speaker, I would just like to take this occasion to congratulate you, sir, on your unanimous election by the members of this House to this most important office, and to say to you, Mr. Speaker, that this side of the House, of course, will abide by your rulings with enthusiasm—

Interjections by hon. members.

Hon. Mr. Davis: Mr. Speaker, I understand your own sense of commitment and involvement to maintain the traditional dignity and decorum of this Legislature; and so we just wish you well.

I would also like to express, in a very personal way, my appreciation to our former Speaker. For the past number of months he has discharged his responsibilities under really a very substantial handicap. I would like to say to him from all of us, and through you to him, Mr. Speaker, how much we appreciated his commitment to his task and the way in which he handled the very onerous responsibilities as Speaker.

To you, Mr. Speaker, our best wishes and good luck.

Mr. E. Sargent (Grey-Bruce): Mr. Speaker, on a matter of urgent public importance: Mr. Speaker, to the Premier, since a promise of four months ago—

Mr. Speaker: Order, please. There was no notice given for this particular order of business; it's out of order.

Mr. Sargent: Mr. Speaker, with the greatest respect—

Mr. Speaker: Order. This is out of order.

Mr. Sargent: Regarding the hospital in Owen Sound—running 107 per cent occupancy, Mr. Speaker—the Premier promised to do something about it. I am going to demand action from him.

Mr. Speaker: Order, please. The member is out of order at this time.

Mr. Sargent: With the greatest respect, I wish the Premier—

Mr. Speaker: Order, please. I would ask the hon. member to please take his chair.

Interjections by hon. members.

Mr. Speaker: Order, please. Would the hon. member take his seat while the Speaker is on his feet. Order, please.

The member may ask questions during the question period, but not at this particular time. He is out of order; would he please take his seat.

Statements by the ministry.

ONTARIO CIVIL SERVICE GROWTH

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Mr. Speaker, I would like to make a statement on the steps the government is taking to control the growth of the civil service. As one of the means to

control the rate of growth of provincial expenditures, the government has established as an objective that the authorized complement of the civil service will be held throughout 1975 at a figure no larger than the complement that was approved on April 1, 1974, the start of the present fiscal year.

I should explain that the term complement refers to the number of civil service positions which has been authorized for each ministry. The complement figure differs from the reported strength of the civil service, which of course fluctuates according to the numbers enrolled in and separated from the service. The approved complement on April 1, 1974, was 71,705. This figure does not include the uniformed members of the Ontario Provincial Police force, for whom a separate complement control is exercised.

We are all aware of the impact of inflation on the cost of goods and services. As an employer, we recognize the need to adjust civil service salaries to protect the purchasing power of our employees. These adjustments will add significantly to provincial expenditures. If, at the same time, we were to add new manpower complement, an expenditure growth rate would result which is unacceptable to this government.

Maintaining the existing level of manpower complement is, of course, not a simple matter of enforcing the status quo. Many of the existing programmes have a constantly growing clientele due to the expansion of our Ontario population. Ways and means have to be found to handle this expanding workload, and in some cases additional complement is the only practical answer. Also the government is sensitive to new and emerging needs of society which require legislative action. Frequently these responses require civil service staff for programme implementation.

In order to provide for these additional complement places, while at the same time maintaining the overall complement total, it has been necessary to identify a number of existing complement places which can be phased out. This curtailment in existing complement is being undertaken in all ministries. I should explain that no growth in total complement does not mean that there has been a cessation in civil service recruitment. Although the curtailment has meant that vacancies have been earmarked for reassignment, the majority of the vacancies which have opened up or which will open up will be filled.

The effect of the curtailment in most instances will require programme managers to find more innovative ways of delivering service to the public. This will not be a new assignment for these people. For the last three years, the growth of manpower in the Ontario civil service has averaged less than three per cent, which compares favourably with the four per cent average increase in total provincial employment. Consequently, the civil service has already responded to a constrained increase in manpower levels with more productive and more efficient ways of providing public service.

I would like to commend the civil service staff in achieving this past accomplishment. It reflects the willingness of individuals to adjust to change, to undertake new assignments and to find better ways of doing their present assignments. The decision to maintain complement levels through 1975 will be another challenge for the civil service. I am confident that they will meet this challenge and that they will maintain and expand public services for a growing population in a prosperous Ontario.

Mr. Speaker: Any further statements by the ministry? The hon. Minister of Natural Resources.

ONTARIO PROVINCIAL PARKS

Hon. L. Bernier (Minister of Natural Resources): Mr. Speaker, I am pleased today to make two important announcements of new initiatives by the Ontario government concerning provincial parks.

I am today announcing the establishment of an Ontario Provincial Parks Council to advise the government on matters of policy, planning and development of Ontario provincial parks. The council is being established because of the government's concern that changing recreational needs of the public of this province be reflected in a meaningful way to ensure that both our management systems and our parks planning programmes meet the needs of the people of Ontario.

Mr. S. Lewis (Scarborough West): Stop the logging in Algonquin Park.

Hon. Mr. Bernier: The Ontario Provincial Parks Council will have a broad mandate to monitor the implementation of all provincial park master plans—

Mr. R. F. Nixon (Leader of the Opposition): No new employees.

Hon. Mr. Bernier: —and to advise the government on a wide range of public needs. It will have the resources it needs to retain spe-

cialists and consultants to conduct research on any matter of concern and it will hold public meetings throughout the province as may be required.

Mr. T. P. Reid (Rainy River): It will have more civil servants.

Hon. Mr. Bernier: It will report annually.

Mr. Lewis: Give Earl Berger another job.

Hon. Mr. Bernier: An accelerated parks development programme has been under way within my ministry, Mr. Speaker, for the past several years. We have today in the Province of Ontario the most extensive and elaborate system of provincial parks available in Canada.

Since 1893, the government of Ontario has created 117 provincial parks.

Mr. Lewis: Especially Rondeau.

Hon. Mr. Bernier: And 27 of these have been opened in the past 10 years. Total park space has tripled—

Hon. A. Grossman (Provincial Secretary for Resources Development): Great stuff.

Hon. Mr. Bernier: —from 3.7 million acres to 10.4 million acres.

Mr. J. E. Stokes (Thunder Bay): Hooray for Polar Bear.

Hon. Mr. Bernier: And during this period the number of visitors to our parks has increased to 12 million annually.

Mr. J. R. Breithaupt (Kitchener): Including the bears.

Hon. Mr. Bernier: Special-use parks have been established; such as Fathom Five Park, an underwater park off the Bruce Peninsula; an urban park such as the Bronte Creek Provincial Park; and three very large wilderness parks in Quetico, Killarney and Polar Bear provincial parks.

Through my ministry's conservation authorities programme, we have a direct involvement in more than 200 conservation and recreational areas that have been developed over the past 20 years, more than 40 of which provide camping facilities.

In addition, there are the facilities provided by the St. Lawrence Parks Commission, the Niagara Parks Commission and the St. Clair Parkway Commission, all of which are provincial agencies responsible to the Minister of Natural Resources.

It is clear that such a broad network of recreational opportunities administered by my ministry has a need for continuing advice and consultation with those in our community who are both knowledgeable and committed to the recreational needs of our citizens.

The council will be under the chairmanship of Prof. George Priddle, a professor of geography at the University of Waterloo and a member of the Ontario chapter of the Sierra Club.

Assisting Dr. Priddle and appointed for terms of from one to three years will be: Mr. Robin Fraser, president of the National and Provincial Parks Association of Canada;—

Mr. A. J. Roy (Ottawa East): One less Tory out of work, eh?

Hon. Mr. Bernier: Mr. Richard Howard, a master at Upper Canada College, a former chairman of the Algonquin Park Advisory Committee—

Interjection by an hon. member.

Hon. J. R. Rhodes (Minister of Transportation and Communications): The member for Ottawa East doesn't even have a riding. What is he talking about?

Mr. Speaker: Order please.

Hon. Mr. Bernier: —and a member of the Algonquin Wildlands League;—

Mr. E. W. Martel (Sudbury East): Bob Shouldice.

Mr. P. D. Lawlor (Lakeshore): You can have every citizen on some board or commision if you can just enlist them.

Hon. Mr. Bernier: Mr. William Fowler, school of physical education, McMaster University; Mr. Thomas Thompson, commissioner, Metropolitan Toronto Parks; Dr. Gerald Killan, a professor of history at the University of Western Ontario; Mr. Clive E. Goodwin, executive director, the Conservation Council of Ontario; Mr. J. F. H. Gray, past president, Ontario Private Campgrounds Association; Mr. John Lewis, professor, department of geography, Sir Wilfrid Laurier University; Dr. Vidar Nordin, dean, faculty of forestry, University of Toronto; Mr. Milton A. Tibbett, chairman, district municipality of Muskoka, and a former member of the Algonquin Park Advisory Committee; Mrs. Barbara Dundas of Komoka; Ms. Joan Sutton, a columnist with the Toronto Sun; Miss Kim Ball, director, Doe Lake Guides Camp, and secretary, Ontario Camping Association;—

Interjection by an hon. member.

Hon. Mr. Bernier: Mr. Doug Wilson, a past president of the Northern Ontario Outfitters Association and the Kenora District Campowners Association; Mrs. Jeannine Pecaric, Kapuskasing;—

Hon. Mr. Grossman: Are the members unhappy over there?

Mr. Sargent: We haven't got our fingers crossed anyway.

Hon. Mr. Bernier: Mrs. Marianne Wilkinson, councillor and Chairman of the March Township Planning Committee and a teacher of geography at Sir Robert Borden High School at Kanata; Mr. H. A. L. Tibbetts, a former member of the Quetico Park Advisory Committee and manager of the Canadian Imperial Bank of Commerce at Fort Frances; Mr. Norman Rouse, Sault Ste. Marie International Bridge Authority.

Mr. Reid: Are there any non-Tories on there—just one?

Hon. Mr. Bernier: As one of its responsibilities, Mr. Speaker, the parks council will monitor the implementation of the Algonquin Provincial Park master plan which I am now tabling.

Mr. Roy: Wasn't that a great way to get around Robarts?

Hon. Mr. Winkler: Very good, very good; great stuff.

Mr. Reid: How much is it going to cost?

Hon. Mr. Grossman: Do the members opposite want it or don't they?

Mr. Reid: The minister already has an advisory committee on it.

Mr. Speaker: Order please.

Hon. Mr. Bernier: Mr. Speaker, within our vast network of parks, conservation areas and recreation areas, it is generally recognized that Algonquin Park is the cornerstone. It is the oldest provincial park and certainly one of the best known, not only to the residents of Canada but everywhere else as well.

The master plan reflects the flow of public inputs from the Algonquin Park hearings and the several years of work of the Algonquin Park Advisory Committee. It details the implementation flowing from the policy decisions of July, 1973. A key element of the plan indicates the zoning of the park into natural, historic, primitive, recreation and utilization zones.

As recommended by the Algonquin Park Advisory Committee Report of 1973, Algonquin Park will be enlarged by additions at several keys points and the park system will be complemented by a further addition of perimeter parks at strategic sites to provide additional recreational capacity outside the park.

Built into the master plan is a regular five-year review procedure as a means of providing continuing public involvement in this important provincial park.

Up to 4,000 additional public campsites may be established in the perimeter parks, and private campgrounds may also be established to further serve the public's camping needs.

As recommended, a fisheries management unit for the park has been established. Staff has been provided and field surveys are now under way.

Policies to prevent the deterioration in volume or quality of park waters are spelled out in the plan and provide a framework within which detailed water management planning may proceed.

A water level study has been carried out, and its recommendations are now being implemented.

Existing interior canoe routes will be improved, and new exterior canoe routes will be established in line with the southern Ontario canoe route study and policies laid down in the master plan.

The interior access system will be restructured to redistribute use through 28 access points and eight departure points. Significant relocation of access points from internal locations to boundary waterways will take place in the eastern portion of the park.

Outfitting information and educational services for interior travellers are described in the interior and corridor plans in the master plan.

The plan for the Algonquin parkway corridor—Highway 60—as contained in the master plan, describes major new interpretive facilities such as the Madawaska motor trail and a new visitors' centre.

The prohibition of new highways in the park has been extended to include new transmission lines, pipelines and communications towers. Scenic roads will link Algonquin interior access points with the perimeter recreation areas and the existing ring of major highways surrounding the park.

Sound buffer zones have been extended to include all canoe routes, hiking trails and public roads in the park.

Detailed policies respecting the use of chemicals and controls that should apply within the park are presented in the master plan.

Seven areas, comprising 25,000 acres of Crown land, will be added to the park to control access, consolidate entire canoe routes and provide additional capacity for access from adjacent boundary areas. These include the two areas recommended by the advisory committee in Eyre and Cameron townships.

In the near future, the use and possession of non-burnable and disposable food and beverage containers will be prohibited by regulation in areas where there are no waste collection services.

The master plan contains proposals to intensify interior canoe route management, including controls on numbers and distribution of visitors. A comprehensive management plan for canoe camping areas is also included.

As announced in 1973, Camp Algonquin has been established for the use of less advantaged children. With the co-operation of the YMCA, this camp operated last summer at Whitefish Lake, providing a unique wilderness camping experience for more than 200 young people.

The continued use of motor boats and all-terrain vehicles will be prohibited by 1975 except on Lake Opeongo and the lakes on which there are private cottages.

Mr. Speaker, I am sure that as people become familiar with the master plan and understand the reasoning behind the various steps to be taken over the next few years, they will come to recognize that Algonquin Park is in greater danger from its users than from anything or anyone else.

The late Leslie M. Frost, when he was chairman of the Algonquin Park Advisory Committee, remarked frequently that too many people constituted the greatest threat to Algonquin Park.

In point of fact, it is essential that in certain of the interior canoe routes, the number of canoe trippers be reduced either through redistribution to little-used routes or by limiting entry. The excessive use of these interior routes has in effect destroyed campsites and the wilderness experience.

By contrast, however, the enlarged primitive zone has a capacity for 100,000 user days annually of wilderness canoeing, and our studies indicate that current demand for this activity is well below this level.

My earlier reference to the planned banning of cans and bottles through most of the park touches on the litter and garbage problem. The dimensions of this situation on the one hand boggle the mind and on the other hand raise serious questions as to the true concern of park users for the wilderness recreational environment.

Our best estimates, Mr. Speaker, are that garbage collection throughout the park cost approximately $200,000 last year. Needless to say, we will continue to work on the educational aspects of littering in an attempt to improve the situation. I simply mention it at this time to illustrate further my point of dangers to the park from its users.

Finally, Mr. Speaker, I would say that within the very near future I will be introducing a bill to establish the Algonquin Forest Authority. At this time, I am very pleased and proud to announce the chairman of the authority, who will be Dr. Vidar Nordin, Dean of the Faculty of Forestry at the University of Toronto.

Mr. R. F. Nixon: I wondered when that was going to come down.

Mr. V. M. Singer (Downsview): What happened to John?

Hon. Mr. Bernier: I will announce the balance of those directors during the debate on that bill

Mr. Singer: Did you fire John? That's very discourteous to John Robarts. Very discourteous.

Mr. Speaker: Oral questions.

LOGGING IN ALGONQUIN PARK

Mr. R. F. Nixon: Mr. Speaker, I would like to ask the Minister of Natural Resources if he can tell the House what proportion of Algonquin Park will now be closed to logging of any type, due to the designation of the primitive areas?

Second, while he's on his feet, has the government rejected the position of at least accepting the goal of stopping the logging exploitation?

Hon. Mr. Bernier: Mr. Speaker, as was pointed out in the policy statement of 1973, the government felt that in the economic interests of the entire region, which covers 9,000 square miles, it was in the best interests of that area and the province in general to retain, on a very selective basis, the harvesting of the forest products from Algonquin Park to maintain the economic viability of the entire region.

With regard to the area that will remain primitive, it's clearly spellel out in the master plan itself. I don't have the exact percentage figure at my fingertips.

Mr. R. F. Nixon: Is it half the park; half the park?

An hon. member: More than that.

Hon. Mr. Bernier: More than that.

Mr. R. F. Nixon: More than half?

Hon. Mr. Bernier: No, less than that. I'm sorry.

Mr. Lewis: Three quarters? About 74.9 per cent?

Hon. Mr. Bernier: Also, the logging aspect as spelled out in the master plan will only infringe on one per cent of the total area of the Algonquin Park area in any one year.

Mr. J. F. Foulds (Port Arthur): That's called cosmetic logging.

ANTI-INFLATION MEASURES

Mr. R. F. Nixon: I would like to ask the Premier, Mr. Speaker, if the statement attributed to him, that Ontario has gone as far as it can go to control inflation on a provincial basis, means that as a matter of policy the alternatives that have been put forward in the House and elsewhere have been rejected? That is, specifically, the alternatives for the establishment of a food price and rent review board; the concept of giving more powers to the Energy Board for the control of fuel prices; and the concept of reducing the public debt, or the deficit, so that it would not fuel inflation. Have these alternatives been rejected to the point where the policy secretaries are giving them no further consideration?

Hon. Mr. Davis: Mr. Speaker, quite obviously the government does not reject any credible programme that could help offset the impact of inflation, both in terms of the consumers or in terms of government policy. As it relates to the two or three specific items mentioned by the Leader of the Opposition, the concept of a form of price review board is really not a question of rejection of concept as much as a question of the practical application as it relates to consumer prices or cost increases.

I think, Mr. Speaker, that we have to be realistic. It's one thing to say review, but if there isn't some form of statutory authority whereby, in fact, something can be done—

Mr. Lewis: That's right. That's the government's job.

Hon. Mr. Davis: —it's a questionable exercise as it relates to some degree of control.

I think it is also fair to state, Mr. Speaker, that if there is to be some form of control of price on a commodity basis, the feeling of this province has always been—and I think it's been supported by others—that this control, if one is to use that terminology, has to be exercised basically on a national level. I think it is also fair to state, Mr. Speaker, that as it relates to the functioning of the Energy Board, as it relates to the price of hydro or the price of natural gas—

Mr. R. F. Nixon: Has to be gasoline.

Hon. Mr. Davis: —of course the board is functioning in that area.

As far as any programme that would reduce or try to minimize the provincial deficit, I can only say in this regard, Mr. Speaker, that while we acknowledge that the general level of government expenditure—although the hon. member for High Park (Mr. Shulman) doesn't agree with me—has some impact on inflation, and while this government has endeavoured to constrain its expenditures—and I would say, by and large, not with the approval of the members opposite—

Mr. Roy: Where are they constrained?

Mr. Reid: This government has a bigger deficit than the federal government.

Hon. Mr. Davis: We constrained expenditures on education, and the Leader of the Opposition is officially quoted as saying: "If elected, I will do away with the ceilings." Tell me how responsible that is.

Mr. R. F. Nixon: Do away with central control. Do away with central control, that is the issue.

Hon. Mr. Davis: We're going to cut government expenditures and give away the store in the process, that's the policy that's being enunciated from across the House.

Mr. Lewis: Not bad, not bad.

Hon. Mr. Davis: I think it's also important to point out—well, it's true, it's true.

Mr. Reid: Rearrange the priorities, that's all.

Hon. Mr. Davis: While I am on my feet and in the answer to the question about the deficit—and the Treasurer (Mr. White) may

get into this—while we do have a deficit; and, Mr. Speaker, that deficit, I think, can be very clearly identified.

Mr. R. F. Nixon: Yes, $848 million.

Hon. Mr. Davis: But it is also interesting to note that while we have this deficit, which the Leader of the Opposition talks about at great length, that even so, this happened three weeks ago Monday, the Province of Ontario in the international marketplace, as far as borrowing is concerned, achieved a triple A rating for the first time in its history, and I might say this is the only province of Canada to do so.

Mr. Lewis: Kind of makes the Premier feel like a good restaurant, doesn't it?

Hon. Mr. Davis: Well I could add something to that.

Mr. Lewis: That is not an answer to a provincial deficit.

Hon. Mr. Davis: Mr. Speaker, it may be in New York, it may be anywhere else—

Mr. R. F. Nixon: That is where the government is borrowing the money.

Hon. Mr. Davis: —but it is a very objective analysis as to the financial and economic situation of the government of this province and it is a rating that is not enjoyed by any other sister province in Canada and only two states of the union, Illinois and California. I think it is a very singular achievement on the part of this government.

Mr. Breithaupt: They are the best borrowers in the world.

Hon. Mr. Davis: Mr. Speaker, I could become less than objective if I were to hark back to discussions that took place during last May, June and July as it related to the question of inflation and the official position of the official opposition, but, Mr. Speaker, on your first day I will not become provocative.

Mr. Roy: Looking for wage and price controls.

Mr. R. F. Nixon: That is great, because as a supplementary I would like to ask the Premier why, if he feels that everything has been done, he would not give further consideration to upgrade, for example, the powers of the Ontario Food Council, so that without exerting direct controls, which have been rejected by the electorate within the last few months, that at least there could be information on pricing provided with the authority of this government, in conjunction with initiative elsewhere, which would give the consumers a break?

Hon. Mr. Davis: I have no objection whatsoever to consideration being given by the Minister of Consumer and Commercial Relations (Mr. Clement), or by the Minister of Agriculture and Food (Mr. Stewart), as it relates to public information as to what consumer goods cost. I have no objection to this whatsoever.

I only say, with respect, that the initial question from the Leader of the Opposition related to some form of review board, and I think there is a very clear distinction between that and the functioning of the food council. I have no objection to the food council taking a closer look, or having information available to the public if this will be helpful.

Mr. R. F. Nixon: Finding consumer information.

Mr. Lewis: A supplementary question, Mr. Speaker: Since the Minister of Consumer and Commercial Relations has within the week published a report indicating that further profits for the food industry at the level of 1973 do not appear to be necessary, what then does the Premier intend to do to protect the consumers of Ontario—for example, in the area of milk alone—in preventing these major companies from taking more than they should be taking and maintaining those profit levels?

Hon. Mr. Davis: Mr. Speaker, I would only make this observation as it relates to the particular commodity of milk—and I guess I must confess a vested interest here because we are fairly large consumers in our own household. This government, and the Minister of Agriculture and Food of this government and the Premier of this province, communicated in no uncertain terms to Ottawa that the federal subsidy should not be lifted. And, of course, the federal government has lifted the subsidy and that was a very major part of the increase in milk prices.

And at home they don't drink powdered milk either.

Mr. Lewis: Now that the Premier knows that, what does the province do?

Mr. Speaker: I believe the member for High Park has a supplementary. Order please.

Mr. Lewis: He just washed his hands of it.

Hon. Mr. Davis: No.

Mr. Lewis: That's what the Premier has done.

Mr. M. Shulman (High Park): Did the Premier ever consider ordering his Treasurer to balance the budget, in order to help control this inflation?

Hon. Mr. Davis: Mr. Speaker, I would be delighted to have from the member for High Park his observations as to how he would see this being achieved, at the same time supporting the political philosophy which he does from day to day, perhaps not on a daily basis, which in my view would be totally inconsistent, with the multitude of programmes that they have promised to the public of this province which would increase total expenditure.

Mr. Lewis: They could just reduce the staff of the Premier's office. That would do it.

Hon. Mr. Davis: If the member for High Park is prepared to be honest enough to suggest as part of his proposal that he would substantially increase the level of taxation as a part of it, then of course there would be some greater degree of logic.

Mr. Shulman: I would love to do it. I don't have the power; the Premier does.

Mr. Speaker: The hon. member for Wentworth.

Mr. I. Deans (Wentworth): Mr. Speaker, given that accommodation costs contribute significantly to the rising cost of living, and given that the recent announcement of the Minister of Housing (Mr. Irvine) would seem to indicate that the programme just announced will not have any significant effect on the housing market for about two years, will the Premier consider introducing some form of rent review mechanism during the period until such time as the effect, assuming there is one, of the recently announced housing programme is felt?

Hon. Mr. Davis: Mr. Speaker, once again we get into the very basic discussion or consideration of what is meant by review and what is meant by control. I would say there is a very distinct difference.

Mr. Deans: Of course there is.

Hon. Mr. Davis: Of course there is, and I would suggest once again, with respect, if the member is talking about a form of review which in fact has no authority to do anything about it after the review is finished, the experience in many jurisdictions has been that this doesn't really solve the problem.

Mr. Deans: I am not talking about that.

Mr. Lewis: The government should give itself the power to roll them back.

Hon. Mr. Davis: Mr. Speaker, I'm saying that if the member is suggesting we should have a form of rent control, I think that is a different issue than a form of rent review. As it relates to the minister's policy and his observations in the very excellent statement he made, I believe in the last day or so, I would suggest to the hon. member that he might direct questions on that statement to the minister.

Mr. Speaker: Does the hon. Leader of the Opposition have further questions?

HOUSING PROPOSAL IMPACT ON TORONTO-CENTRED REGION PLAN

Mr. R. F. Nixon: I want to direct a question to the Premier on that statement. Since its implementation will provide an additional 170,000 homes—that is, the services are designed to provide that level of expansion right on the edge of Toronto—does this mean that once and for all the concepts of the Toronto-centred region plan have been abandoned, as well as the stated policy of the government to make planned housing development across the province their goal rather than simply allowing the sprawl of the Metro area out to the north and east with the utilization of farmland for this purpose?

Hon. Mr. Davis: Mr. Speaker, I don't think that's the case at all. I'm going strictly from memory here, but the TCR, which was adopted by this government as a conceptual approach to the planning of the Toronto-centred region—

Mr. D. M. Deacon (York Centre): Very conceptual.

Hon. Mr. Davis: I know the member for York Centre doesn't support the TCR as it relates to his own particular problem. I acknowledge that.

Mr. Lewis: Oh, the TCR is not in question. There is nothing left of the plan. It is so conceptual it cannot be seen any more.

Hon. Mr. Davis: I would only say this, Mr. Speaker—

Mr. Lewis: It is a misconception.

Hon. Mr. Davis: I'm only doing a little mental arithmetic here, but if we're talking about approximately 170,000 units—

Interjections by hon. members.

Mr. Speaker: Order, please. Order.

Hon. Mr. Davis: If we are talking about approximately 170,000 units and, say, three persons per unit, that's 510,000 people.

Mr. Lewis: The Minister of Housing said 700,000.

Hon. Mr. Davis: As it relates to the city of Mississauga, which now has a population of around 400,000, if that—I'm sure the hon. member for Peel South (Mr. Kennedy) could give me the exact figure—I believe the projected population in the TCR was around 800,000, so we have 300,000 right there within the TCR concept.

As it relates to the new city of Brampton, I think the initial figure allocation suggested was in the neighbourhood of 285,000 to 300,000; I think we've probably reached about 105,000 or 110,000. Therefore, this leaves roughly an additional 200,000 in just those two communities alone within the TCR, which is of course in excess of the figures mentioned by the Minister of Housing and would mean that we could still be within the general levels anticipated by the TCR and meet the objective of 170,000 units.

Mr. Lewis: The government is choking Metropolitan Toronto.

Hon. Mr. Davis: It is totally consistent.

Mr. R. F. Nixon: A supplementary: Surely the concept that would be supported on all sides is that something should be done to at least control the growth in the Toronto-centred region and distribute it elsewhere across the province.

Hon. Mr. Grossman: Like how?

Mr. R. F. Nixon: Has that concept been abandoned entirely?

Hon. Mr. Davis: No, Mr. Speaker, that concept has not been abandoned at all. What the Toronto-centred region concept envisaged was a degree of control in the Toronto-centred region, and this included rough population densities in those areas immediately around Toronto. I gave the hon. member some figures and I hope I demonstrated, within 1,000 or 2,000 units, how that could still be accommodated within the objectives set by the Minister of Housing.

The other problem we face, Mr. Speaker, and I don't pretend to have a total answer to this, is that while we would like to see greater decentralization of population growth, and industrial and commercial growth, the fact remains that Metropolitan Toronto and Hamilton-Wentworth—communities that are established—still are very attractive as it relates to growth.

Mr. Singer: Oh, what a discovery!

Hon. Mr. Davis: Once again there is a great contradiction. The Leader of the Opposition says he supports in concept what is happening and of course the member for Downsview doesn't. Once again there is a great contradiction in the thinking of that particular party.

Interjections by hon. members.

Hon. Mr. Davis: All I'm saying, Mr. Speaker, is that we still want to see growth development take place in other parts of the province—our programmes are aimed in this direction—but to say that there will be no growth in the TCR is just totally unrealistic.

Mr. Sargent: The Premier just doesn't know what is going on, that is all.

Mr. Speaker: The member for Scarborough West.

Mr. Lewis: Supplementary: What announcement has the Premier in hand for the eastern part of the province and the northern part of the province to parallel the succession of announcements—from the airport to North Pickering, and now the pipeline—what has he got to parellel those announcements in other parts of the province in terms of what the government is doing in Metropolitan Toronto?

Hon. Mr. Davis: Mr. Speaker, what we are doing for Metropolitan Toronto, quite frankly, is to accommodate a very real need. If the leader of the New Democratic Party is saying that this need isn't here and it isn't a fact of life, then I say, with respect, that he doesn't know what is happening. But I would say that—

Mr. Lewis: Is there no need elsewhere in Ontario? Toronto gets everything.

Hon. Mr. Grossman: Does it?

Mr. Speaker: Order, please.

Hon. W. Newman (Minister of the Environment): The member is not accurate. There are 400 projects going on across this province right now.

Mr. Speaker: Order, please.

Hon. Mr. Davis: Mr. Speaker, as it relates to the government programmes for northern Ontario and eastern Ontario, I think it is very clearly demonstrated in the policy laid down for the NODC and EODC—as it relates to the level of government assistance for industrial growth and in terms of housing in eastern Ontario—that there will be incentives or we will have programmes in some parts of eastern Ontario and some parts of the north. But, Mr. Speaker, you have got to recognize the facts as they are; and that is that there are still tremendous growth pressures in and around Metropolitan Toronto.

I would only make this observation, just in case there is any further—

An hon. member: This government won't do anything about it.

Mr. Lewis: The Premier is overdoing it.

Hon. Mr. Grossman: What does the member want to have—passports?

Mr. M. Cassidy (Ottawa Centre): For the minister and his corporate friends.

Hon. Mr. Davis: Mr. Speaker, it's not a question of overdoing it at all.

Mr. Lewis: Sure he is. The Premier has got a—

Hon. Mr. Davis: It's a question of dealing with the growth pressure in a planned and orderly way. I would say, Mr. Speaker, that we are doing this better in this jurisdiction than any I can think of. I can't give you another metropolitan area comparable to Metropolitan Toronto where we've had the kind of quality growth, the kind of planning, the transportation considerations that exist right here in this jurisdiction. In fact, find me another.

Hon. Mr. Grossman: And the member knows it.

Mr. Speaker: Any further questions.

OHC BRIBE CHARGES

Mr. R. F. Nixon: In the absence of the Attorney General (Mr. Welch), can the Premier assure the House that the policy of the law enforcement officers will be to bring charges against those who offered the bribes to the officials of the Ontario Housing Corp., not just taking action against those who accepted them?

Hon. Mr. Davis: Mr. Speaker, I don't know if it would be appropriate for me to comment on that particular situation; and I shan't do so in the absence of the Attorney General. I think the Attorney General could answer that; but I question whether or not I should make any observations about it.

Mr. Speaker: The member for Scarborough West.

ST. LAWRENCE COLLEGE DEVELOPMENT

Mr. Lewis: Mr. Speaker, one of our new colleagues not yet in this chamber but in the gallery—would wish me to ask the Premier a question. When the Premier graciously wandered through Stormont during the course of the by-election, he lifted the freeze on the Cornwall campus at St. Lawrence College; and from that day to this, nothing has yet been heard by the administration involved. When does he intend specifically to act on the pledge that was made, Fern Guindon notwithstanding?

Hon. Mr. Davis: Mr. Speaker, I'm sure the leader of the New Democratic Party was following very carefully what specifically was said at that time. I will only go by my own memory, but I think I very specifically referred to a letter written to Fr. Villeneuve some two or three days before I even went to Cornwall. The information was conveyed to him that the ministry was prepared to approve in concept the capital development of St. Lawrence College.

There were two issues, if memory serves me correctly. One was the capital addition to the facilities as it related to the kind of programming that would be available to the college itself. I think the second issue, if memory serves me correctly, related to the possibility of involvement in degree granting courses with the University of Ottawa.

The letter said at the top of the second page—and I think I can quote the section, it is section 6, because I was somewhat involved in the passage of that particular legislation. It said: "A community college may enter into agreements with an existing Ontario university to develop courses for credit."

This was put in the letter brought to the attention of Fr. Villeneuve. So that as it relates to that aspect of it, I say with respect, the initiation would probably now be in the hands of St. Lawrence College.

There were some questions, I think, as it related to the capital project. The ministry would like to see a reassessment of the design to make sure that the proposed facility itself

could relate to a broader community use. I'm sure all members would support this, because with this kind of capital development I think a broader community utilization is a very real priority. I think there was some suggestion in the communication to Fr. Villeneuve that this be considered by the college and communicated or discussed with the ministry.

So once again the initiation may lie in both places, but I think that perhaps part of the initiation is with the college itself and that perhaps—and I'm only guessing at this—the ministry may be awaiting some form of response to that communication.

Mr. R. F. Nixon: Supplementary, Mr. Speaker: Would the Premier not think this would be an appropriate time to tell the House whether he is only human or not, and allay the fears that were aroused by his former colleague, Fern Guindon, who said that if the Conservatives didn't win the election all of these goodies announced during those times—

Mr. Speaker: That is not a supplementary.

Hon. Mr. Davis: Mr. Speaker, once again, this is your first day.

Interjection by an hon. member.

Hon. Mr. Davis: I could answer this in a fairly provocative way, because I have discovered something about the political process in by-elections, and that is that it is quite possible, particularly for the opposition party, to wander into ridings making a lot of statements for which they are not held responsible.

Mr. R. F. Nixon: What about your spokesman and the irresponsible things he said?

Hon. Mr. Davis: But when the government becomes involved in a little politics, of course somebody then raises a question.

Now, Mr. Speaker, I happened to be there the night the former member of this Legislature, a man who did a great deal for his constituents and the people of this province, made his observations. I happened to be there, but I don't intend—because there is no way one wins—to quarrel with the interpretation placed upon it. I can only say that as I sat there and listened to it, while the former member conveyed in no uncertain terms the great merits of having a government member of the Legislature, he did not say—and I am subject to correction—but I did not interpret him to say that if they didn't—

Mr. Roy: He repeated that on radio.

Hon. Mr. Davis: —there would be no capital project at St. Lawrence College.

If the hon. Leader of the Opposition read my observations after the by-election—it was interesting to read the three observations of the three leaders—I went on to congratulate the newly-elected member from Stormont and to assure him that I would, as far as I was concerned, make every effort to see that he was able to discharge his responsibilities to his constituents.

This government, Mr. Speaker, has never made—unlike the policy adopted by the member's federal colleague—a distinction as to where members come from as it relates to government programmes.

Interjections by hon. members.

Hon. Mr. Davis: Ask the member for Nipissing (Mr. R. S. Smith).

Mr. Speaker: Order please. I think both the question and the answer strayed somewhat from the original question of the member for Scarborough West. Do you have further questions?

Mr. Lewis: Yes, but not of the Premier, Mr. Speaker.

An hon. member: Tell us about the federal election.

Interjections by hon. members.

Mr. Speaker: The member for Scarborough West has the floor.

Interjections by hon. members.

Mr. Lewis: Listen, we won. What's wrong with these members, Mr. Speaker?

I want to ask a question of the Chairman of the Management Board.

Interjection by an hon. member.

Mr. Lewis: One enjoys while one can.

COMPOSITION OF CSAO ARBITRATION BOARD

Mr. Lewis: I ask the Chairman of the Management Board, further to his statement on the Civil Service Association: Is the minister prepared to undertake a change in the composition of the arbitration board parallel to the change he announced for the community college teacher negotiations in order to appease the anxieties of the entire Civil Service Association across Ontario?

Hon. Mr. Winkler: Mr. Speaker, from a personal point of view, I am always open to change. The request made by the member involves government policy and when that is available I will announce it to the House.

Mr. Speaker: The member for Rainy River.

Mr. Reid: Supplementary: When the minister makes his statement in regard to the change in policy, will he also consider taking under the wing of the CSAO those people—some 12,000 of them, perhaps not all 12,000—who find themselves designated as managerial or executive people?

Hon. Mr. Winkler: Not under the present situation, Mr. Speaker.

Mr. Speaker: The member for Nickel Belt.

Mr. F. Laughren (Nickel Belt): Supplementary: When the minister reconsiders the legislation affecting the civil servants, will he also consider changing the Public Service Act as well as the Crown Employees' Collective Bargaining Act to ensure that civil servants in the Province of Ontario have the full democratic right to participate in the political process in this province?

Hon. Mr. Winkler: This also, Mr. Speaker, is a matter of policy. When such matters are considered they will be brought before the House.

Mr. Lewis: The government is asking for confrontation. It is time for conciliation.

Mr. Speaker: Does the member for Scarborough West have further questions?

Mr. Lewis: No.

Mr. Speaker: The member for Grey-Bruce.

NEW HOSPITAL IN OWEN SOUND

Mr. Sargent: Mr. Speaker, this is a question of the Premier. Guess what it is?

Mr. Roy: Surprise!

Mr. Speaker: A question, I presume.

Mr. Sargent: I think, Mr. Speaker, that Balzac was right, that bureaucracy is a giant mechanism run by pygmies; and this is a good example of it.

Members have all seen this "no vacancy" at the Owen Sound Hospital, Mr. Speaker. Since the Premier's promise about four months ago—

Interjections by hon. members.

Mr. Speaker: Order please.

Interjections by hon. members.

Mr. Speaker: We want a question from the hon. member.

Interjections by hon. members.

Mr. Sargent: The Premier promised four months ago—

Mr. Speaker: Order please. This is not a period for debate. It's for questions of the ministry.

Mr. Sargent: The question is coming.

Mr. Speaker: If there is a question, please place it now.

Mr. Sargent: In view of the fact that we are operating at 107 per cent occupancy, last week we had to turn down an orthopaedic surgeon because he couldn't operate in the hall.

Mr. G. Nixon (Dovercourt): What's the question?

Mr. Sargent: We are going to put a portable operation unit on the lawn.

Interjections by hon. members.

Mr. Speaker: Can we have the question?

Mr. Sargent: Will you, Mr. Speaker—

Interjections by hon. members.

Mr. Speaker: Order please. The member for Grey-Bruce is trying to place his question.

Interjections by hon. members.

Mr. Sargent: Is the Premier aware, number one, that the minister has reneged on his promise to give us chronic beds; and, secondly, that we are going to have to put a portable unit on the lawn, and we haven't got any place for the new surgeon to operate?

I am going to ask the Premier these two things. Because he has such a human interest, as we know from Stormont, will he personally come up and see the medieval setup we have there? Secondly, if he won't do that, will he allow us to run a $10-million lottery for our hospital in Owen Sound?

Hon. Mr. Davis: Mr. Speaker, I think this question would be more properly directed to the Minister of Health (Mr. Miller) who has been having discussions recently.

Mr. Sargent: You can't believe him, Mr. Speaker. You can't trust him.

Hon. Mr. Davis: Mr. Speaker, if the member for Grey-Bruce is saying he can't believe a minister of the Crown, I take exception to it. I gave the member the answer.

Mr. Sargent: I don't take exception to it. What is the Premier's answer?

Mr. Speaker: Order please. The hon. Premier has answered the question.

Mr. Sargent: Is the Premier going to allow us to do one or two things?

Mr. Speaker: Is this a supplementary? The member for High Park.

Mr. J. E. Bullbrook (Sarnia): There is no Minister of Health here.

Mr. Sargent: What is the Premier going to do?

Mr. Speaker: Order please. Will the hon. member take his seat?

Mr. Sargent: Oh come on, Mr. Speaker. It's a big joke.

Mr. Speaker: It isn't a big joke. It's a very serious matter. The hon. member must take his seat. The member for High Park with his question.

WINDSOR RACEWAY

Mr. Shulman: I have a question of the Solicitor General, Mr. Speaker. In view of the drastic efforts made here to force the Emprise Corp. out of the Ontario Jockey Club because of its very close relationship with organized crime, what are he and the Attorney General doing in view of the fact that Emprise have now purchased 25 per cent of the Windsor Raceway?

Hon. G. A. Kerr (Solicitor General): Mr. Speaker, strictly, Emprise has not purchased 25 per cent of the Windsor Raceway. Dominion Sport Service, by buying shares from, I believe one Mr. Siegel in Windsor, who is a former owner of the raceway, now holds a minority position. We are aware, of course, of that transaction. At the present time, the Ontario Securities Commission is looking into it.

Hon. D. R. Irvine (Minister of Housing): Is he related to the member for High Park?

Mr. Speaker: The member for Ottawa East.

CARLETON EAST BY-ELECTION

Mr. Roy: I have a question, Mr. Speaker, of the Premier which has to do with the Carleton East by-election and the questions that are being asked by the voters. Would he advise the voters there, first of all why he removed their former member, Bert Lawrence, from the cabinet; and secondly, why he forced him to resign?

Interjections by hon. members.

Hon. Mr. Davis: Mr. Speaker, once again, I could answer in a somewhat provocative term, but I think that both questions can be answered by the voters in Carleton East; and if the hon. member for Ottawa East wants to get involved, let him be my guest.

Mr. Roy: Are we to assume from the Premier's answer that the by-election was unnecessary and was only called to satisfy the ambitions of one individual?

Hon. Mr. Davis: The member can assume nothing.

Mr. Speaker: Order please. That's a hypothetical question.

The hon. member for Wentworth.

An hon. member: He was a Liberal, wasn't he?

Interjections by hon. members.

Mr. Deans: I have a question of the Treasurer—

Mr. Lewis: Are they mad at Pierre Benoit! Oh, are they mad—at the Premier for seducing them. Did he have to seduce them by taking them behind the barn?

Mr. Speaker: Order please. The hon. member for Wentworth has the floor and time is flitting away.

COST OF REGIONAL GOVERNMENT

Mr. Deans: Thank you. I'd like to ask the Treasurer if he's aware of the expressions of concern coming from various parts of the province over the escalating costs associated with regional government? If he is, has he had an analysis made of what the actual cost of the regional government implementation will be, minus the provincial grants as will be appearing over the course of some short period of time?

And thirdly, would the Treasurer—if he agrees with me or with many other people, that the reasons for the costs are not very

obvious—have conducted a cost-benefit analysis in one or two regions to try to determine whether in fact the residents are receiving additional benefits for the additional dollars which are being expended at all levels in order to maintain the regional systems?

Hon. J. White (Treasurer, Minister of Intergovernmental Affairs): I am very glad to have this question. I would like to respond by making a statement in the House within the next few days which will not be very much longer than the question itself. Because there are many fallacies being spread, most particularly—and in an intellectually dishonest way—by the leader of the Liberals, and to some extent by the socialists, I will bring in the facts and figures to disprove those malicious allegations.

Mr. Lewis: Just a second. On a point of privilege, how can one be intellectually dishonest to some extent? Either one is or one isn't! So, if the Treasurer is going to demean my contribution—

Mr. Speaker: Order.

Mr. R. F. Nixon: He's imputing motives.

Hon. Mr. White: This fellow knows what he's saying isn't true.

Mr. Lewis: I think he's impugning motives.

Mr. R. F. Nixon: A supplementary question: Since the Treasurer is going to bring in a statement which will only be 25 words long or less, he could comment at the same time on the escalation of the mill rate in the town of Waterford, in the new region of Haldimand-Norfolk, which is going up by 27 mills this year because of regional government and for no other purpose. Would he kindly comment on that and explain what he's going to do about it?

Mr. Lewis: And by way of supplementary, perhaps he could comment on—

Mr. Singer: A supplementary, Mr. Speaker.

Mr. Speaker: Order please. Supplementary question.

Mr. Lewis: Yes. Perhaps the Treasurer can comment as well on why he has indicated—I gather at breakfast this morning formally—that there will be no more money for the counties and regions of Ontario because Ontario doesn't have the money, despite his refusal to tax the resource industries at a level which would be fair.

Mr. Cassidy: That's right.

Hon. Mr. White: Well sir, we will carry out the Edmonton commitment and we will increase our grants to the local level of government by the same increase as our increase in revenues, which will be about 12 per cent.

Mr. Martel: Yes, with strings attached.

Mr. Lewis: With conditional attachments.

Hon. Mr. White: We can't go a five-cent piece beyond that because of the heavy pressures on us from a number of ministries—Health, Education and others.

Mr. Lewis: And the Treasurer puts it on the property tax payers rather than on Inco. That's what he's doing.

Hon. Mr. White: In my speech this morning I described how, since 1968, we have increased transfers by $1.1 billion by increasing our taxes here. I'm talking about increased rates now, which amounted to $967 million per year if I remember correctly. So, we have very deliberately increased our more progressive provincial taxes to greatly increase these grants to minimize the use of the regressive property tax. I make no apology for that.

In the process, we have increased our provincial taxes more or less to the average level of provincial taxation in this country. And we are not going to increase our taxes beyond that average point for fear of the counterproductive effect that it will have.

Mr. Roy: Not before the election anyway.

Mr. Lewis: Don't tax individuals; just tax the resource industry.

Hon. Mr. White: Now insofar as the resource industry is concerned, the new measures which I introduced in my budget and which this House is asked to pass—

Mr. Lewis: Minimal.

Hon. Mr. White: —will increase the taxes from the mining industry from $75 million to $225 million—

Mr. Martel: He's just telling us that there's been a rip-off for years.

Mr. Lewis: That's a token. It should be twice as high as that.

Mr. Martel: A rip-off for years and he is admitting it now.

Hon. Mr. White: And we have doubled the tax on the lumber industry, so don't give me that stuff.

Mr. Speaker: The hon. member for Downsview, please. I think there have been sufficient supplementaries.

ROYAL COMMISSION ON ALLEGATIONS OF POLICE BRUTALITY

Mr. Singer: Mr. Speaker, I have a question of the Solicitor General. Could the Solicitor General advise, when he sets out the terms of reference for the royal commission to inquire into allegations of police brutality, if he is going to ask that commission to bring forward a suggested new system of dealing with complaints against police activities?

Hon. Mr. Kerr: Mr. Speaker, as the hon. member knows, at the present time Arthur Maloney has been commissioned by Metro to look into that particular phase of policing. Also, the federal government has a commission set up to look into complaints dealing with the actions of the RCMP. I don't know if it is necessary to have another commission dealing with that specific facet of complaining, as far as law enforcement is concerned and the conduct of police.

However, it is quite possible that will be in the terms of reference the commissioner would insist on, in view of the fact that some of the allegations include complaints that any allegations they made were not properly dealt with by the Metro force. It may be difficult for the commissioner in this instance to avoid making at least recommendations dealing with the complaint bureau or complaints. But as I say, there may be some overlapping because of the two commissions that exist at the present time.

Mr. Singer: A further supplementary: Wouldn't the minister agree that since neither of the other investigations is under his control or at his direction, it is important that this province have as good a system of dealing with police complaints as is possible, and that therefore he should so instruct the commissioner to bring in recommendations along these lines? That's the purpose of the whole thing.

Hon. Mr. Kerr: Mr. Speaker, I don't see anything the matter with the hon. member's suggestion, but certainly any recommendations, that for example Mr. Maloney would make, could very well be adopted by us. After all, he is dealing with Metro police; he is dealing with police complaints generally. We don't have too many complaints against the OPP, so I would assume that we would adopt any recommendations we feel would be pertinent and worthwhile and required by us.

Mr. Singer: But the minister didn't commission Mr. Maloney.

Mr. Roy: May I ask a supplementary on that point, Mr. Speaker?

Mr. Speaker: A final supplementary.

Mr. Roy: Why would the minister limit this type of complaint bureau to Metro Toronto? Why would the minister not accept the suggestion we made to him back in the estimates last year that he establish a province-wide bureau for complaints, because for the public's sake it doesn't look right when the police are investigating the police?

Hon. Mr. Kerr: Mr. Speaker, you don't have to have a province-wide bureau to avoid that particular conflict. You can have a citizen complaint bureau in each city.

Mr. Roy: Well, yes.

Hon. Mr. Kerr: One of the submissions made to Mr. Maloney the other day was for a province-wide complaint bureau—

Mr. Singer: Mr. Maloney is working for Metro.

Hon. Mr. Kerr: —and I think that might very well be the answer.

Mr. Speaker: The member for Thunder Bay.

FUTURE OF ARMSTRONG

Mr. Stokes: Thank you, Mr. Speaker. I have a question of the Provincial Secretary for Resources Development. What new initiatives has the minister taken since we last visited the hamlet of Armstrong to ensure that it might have some industrial future? When is the minister going to sit down and co-operate with the federal authorities rather than carrying on a back-biting dialogue between those who are responsible?

Hon. Mr. Bernier: Come on. The member should get his facts straight.

Hon. Mr. Grossman: Mr. Speaker, the last part of the question puzzles me somewhat—

Mr. R. F. Nixon: I don't know why it should.

Hon. Mr. Grossman: —because if any effort has been made by anyone to try to get the federal government to sit down and talk

with any of us it has been by myself. I have been phoning them incessantly; we have sent them wires; we have had very few replies.

We have asked them over at least the last four months to appoint a minister who will co-ordinate the efforts of the various ministries involved. Up to about 10 days ago we couldn't get the Prime Minister of Canada to appoint someone to co-ordinate it although we had promises. I couldn't get answers from ministers; they just turn their backs on the whole problem.

Mr. Roy: Blame the feds.

Mr. Breithaupt: Answer the question.

Hon. Mr. Grossman: It is just about a week ago that Mr. Andras called and said that he had been appointed, that he in fact was the co-ordinator for the federal government.

As to the general question, we have been dealing with this thing for a matter of months. We have had numerous meetings with various people, including the development corporation up there, with all of the people who could possibly be recruited to help that community.

Indeed, there has been a successful bidder for the radar base. I just talked with him today in the hope that he may have something which would be helpful for the future of that community. We are trying to get together on Monday, which is about three days before the deadline which the federal government has given us for the selling of the radar base.

I have had very little co-operation from the federal government. I think the hon. member for Thunder Bay knows that; I am surprised he asked that question. We have some plans; we have already tried numerous plans for Armstrong and we haven't given up. We have a number of things in mind, as I have mentioned.

I would hope that perhaps about this time next week I will be able to give the hon. member a complete answer on everything that has been tried for Armstrong, and I hope I will have something to offer by way of a successful endeavour. But if I were to attempt to answer that question in detail, Mr. Speaker, you would stop me because it would take about 20 minutes. I intend to relate to this House in chronological order the events right up until the day I make the statement.

If the hon. member is told, I am sure he will be satisfied that all the ministers of this government have tried everything they possibly could to help in Armstrong. They have had very little co-operation from the federal government, whose only desire is to close up the base, get the hell out of there, get to the next radar base and close it up. Those are the problems we are having.

Mr. Martel: What did this government do at Burwash?

Mr. Breithaupt: Just like Burwash.

Hon. Mr. Grossman: I will read a statement next week in detail, Mr. Speaker, and I am sure it will satisfy the hon. member.

Mr. Stokes: A supplementary, Mr. Speaker: What happened to the two proposals that were submitted to this ministry, the resources development policy field, with regard to three alternatives that would asist Armstrong and area to get back on their feet by a greater utilization of the forestry resources that have been wasting for the last 30 years in that area? The Minister of Natural Resources has had those in his possession for well over a month. The provincial secretary promised a report to the people of Armstrong and the alternatives that would assist Armstrong and ago when we were up there. Why has he not at least taken them into his confidence and suggested that they sit down and talk about it in a realistic way?

Hon. Mr. Grossman: Mr. Speaker, I hope the hon. member isn't suggesting that I haven't been in constant communication with Mr. Dupuis, the head of the development corporation.

Mr. Stokes: Yes, I am suggesting that.

Hon. Mr. Grossman: Well, I have been. We have been in constant contact with him and I am surprised that the hon. member has the impression we haven't. If Mr. Dupuis has said that, I would be very much surprised.

Mr. Stokes: He did say it.

Hon. Mr. Grossman: Well he is entirely wrong and he is most unfair. We have had numerous propositions and we've checked the viability of those propositions out thoroughly. The one the hon. member is referring to, I will deal with in my statement. We think we may have something, but I have always been very careful to make sure we don't say anything which will raise the hopes of those people in the community unless we are sure that it turns out to be practical.

Mr. Martel: Raise the hopes of the people in Burwash.

Hon. Mr. Grossman: I will deal with all of those questions the hon. member has asked in the detailed statement.

Mr. Speaker: The member for Sarnia.

LAND SPECULATION AND LAND TRANSFER TAX ACTS

Mr. Bullbrook: Yes, I have a question, through you, to the Treasurer. Premising that he is correct in his rationalization that the Land Speculation and Land Transfer Tax Acts are not to collect tax, could he advise us why he felt it incumbent upon him to protect the revenues at $60 million in the first fiscal year? Extrapolating the revenues anticipated by the Minister of Revenue (Mr. Meen), the Treasurer will be out only by about 8,000 per cent. Could the Treasurer advise us why it was necessary to give us a figure of $60 million?

Hon. Mr. White: I will.

Mr. Bullbrook: Let me finish, I am just getting started here. Secondly, could the Treasurer give us the factual foundation for his anticipated revenues of $60 million? Thirdly, could he give us the cost of the administration in collecting thus far something in the neighbourhood of $700,000? Fourthly, why does the Treasurer not adopt the criteria that he has established himself in issuing these discretionary exemptions from the imposition of that tax?

Hon. Mr. White: Well, sir, dealing with the matters in turn, the tax was applied, as the budget clearly said, to discourage land speculation.

Mr. Bullbrook: I accept that premise.

Hon. Mr. White: Yes, but this was question one.

Mr. Bullbrook: No it wasn't. I said that in accepting that premise, why did the Treasurer tell—

Hon. Mr. White: And at the time of the budget I said the better these tax measures work, the less revenue we will collect.

Question number two; the $60 million—

Mr. Sargent: Where is the $60 million?

Hon. Mr. White: —as I said in the budget, was a guess.

Mr. Bullbrook: It was a guess? Well, if that isn't intelligent. Is that misleading the House? He guesses at it?

Hon. Mr. White: Question number three —well, I was looking for the wording in the budget. It was—

Mr. Speaker: Order please.

Mr. Breithaupt: If he had said $120 million he would have been twice as right.

Hon. Mr. White: No, because I said in the budget—a copy of which I thought I had here—that the best we could do is come up with an informed guess; which is exactly what that was.

Mr. Bullbrook: The Treasurer is out 1,000 per cent.

Hon. Mr. White: The measures worked far better than I had believed possible.

Mr. Sargent: Why didn't the Treasurer ask a page boy?

Hon. Mr. White: Question number three concerning the expense should be put on the order paper; and question number four should be directed to the Minister of Revenue.

Mr. Bullbrook: By way of supplementary, I want the Treasurer to know that it is on the order paper and I'd like an answer to it.

Mr. Speaker: The time for oral questions has now expired.

Mr. Roy: What is the Treasurer's guess for the deficit next year?

Mr. Bullbrook: How can he be the Treasurer of Ontario when he is out 1,000 percent in his projections.

Mr. Speaker: Order please.

Mr. Bullbrook: Because he is a farce. What about the criteria of the land transfer tax?

Mr. Speaker: Order please. Would the member take his seat.

Mr. Lewis: He has to admit to a little Tory embarrassment. Ridiculous! He didn't say that about the land transfer tax.

Mr. Speaker: Order please. Next order of business.

Presenting reports.

Hon. J. T. Clement (Minister of Consumer and Commercial Relations): I take pleasure in tabling the following reports from my ministry: First the 24th annual report of the Ontario Racing Commission; next, the summary of the 1973 decisions of the Commercial Registration Appeal Tribunal; third, the 10th annual report of the Pension Commission of Ontario for the year ending Dec.

31, 1973; fourth, the annual report of the Registrar General for the year ending Dec. 31, 1973; fifth, the 27th annual report of the Liquor Licence Board of Ontario; and sixth, the statistical review of the operations of the Ministry of Consumer and Commercial Relations for the calendar year of 1973 with comparisons to 1972.

Mr. E. J. Bounsall (Windsor West): How many more tomorrow?

Mr. Speaker: The hon. Minister of Labour.

Hon. J. P. MacBeth (Minister of Labour): Mr. Speaker, I have no' been as active as my colleague, the Minister of Consumer and Commercial Relations, but I do have two reports to file.

Mr. Cassidy: They are much smaller, though.

Hon. Mr. MacBeth: I beg leave to table the following reports: The annual report of the Ministry of Labour, 1973-1974; and the annual report of the Workmen's Compensation Board.

Mr. Deans: The minister is going to be in serious trouble pretty soon with the Compensation Board.

Mr. Speaker: Any further reports?

Motions.

Hon. Mr. Winkler moves, seconded by Mr. R. F. Nixon, that Mr. W. Hodgson, member for the electoral district of York North, be appointed chairman of the committees of the whole House for the present session.

Motion agreed to.

Mr. Speaker: Any further motions?

Introduction of bills.

EMPLOYMENT STANDARDS ACT

Mr. Drea moves first reading of bill intituled, An Act to amend the Employment Standards Act.

Motion agreed to; first reading of the bill.

Mr. F. Drea (Scarborough Centre): Mr. Speaker, the bill is self-explanatory for anyone who has been reading the newspapers. It is intended to bring apartment superintendents under the scope of the Employment Standards Act so that they, like everyone else, may have a day off.

Mr. Speaker: Before the orders of the day there are two matters I would draw to the attention of the House. First, the committee considering the estimates of the Ministry of the Environment will meet in committee room 1; not in room 230, as was found in the order paper.

Second, as indicated by a notice that went around to your desks a little earlier this afternoon, I look forward to meeting all hon. members who can conveniently come to room 230 at 6 o'clock. I believe that some of you may have your husbands or wives in the building today, and I might just mention they are perfectly welcome too. So we look forward to seeing everyone at 6 o'clock.

Orders of the day.

Clerk of the House: The 17th order, House in committee of supply.

Mr. Chairman: Hon. members of the House, I wish to thank you very much for electing me as the chairman of the committee of the whole House. As I have said before, I'll try to act impartially and conduct the business of the House in the way the people of this province would expect me to. Thank you very much.

ESTIMATES, MINISTRY OF TREASURY, ECONOMICS AND INTERGOVERNMENTAL AFFAIRS

(continued)

Hon. J. White (Treasurer, Minister of Economics and Intergovernmental Affairs): Mr. Chairman, because these are the first estimates to be called since you were chosen to preside over the committee of supply, I should like to congratulate you and to promise our co-operation as you carry out your demanding responsibilities.

Mr. M. Cassidy (Ottawa Centre): Mr. Chairman, on a point of order, I was actually on the floor. If the minister wishes to make a few comments, that's fine, but we did begin these estimates—he may not recall it, but we did begin these estimates on June 10 of this year.

Hon. Mr. White: Well, sir, if I might have the permission of the committee—

Mr. Cassidy: Of course.

Hon. Mr. White: —I would like to make a brief supplementary statement to bring members up to date on some developments in our ministry since I introduced the estimates on June 10.

Mr. Cassidy: It is rather lost in the cobwebs, I agree.

Hon. Mr. White: The most important such development, as the Premier (Mr. Davis) mentioned earlier, was the decision by Moody's to give Ontario's credit a triple-A rating. This is the first time in the history of the world that a foreign government went to market in New York with a triple-A rating. It's never happened before—never ever. No other province and no other organization, except for the Dominion of Canada itself, has a triple-A rating in Moody's; and that is symbolic because Canada doesn't borrow in New York.

Mr. S. Lewis (Scarborough West): The Premier said Illinois and California had triple-A ratings.

Hon. Mr. White: Two states—they are, of course, not foreign countries in New York —two states have triple-A ratings, California and Illinois.

This decision, Moody's said, was based on Ontario's "sound financial condition, well-managed debt and enviable sources of relatively inexpensive hydro-electric power."

We estimate that this new rating will save the province $10.5 million in interest rate savings in the year ahead, and tens of millions, maybe hundreds of millions of dollars in the years ahead.

In this same connection, Mr. Chairman, I should like to remind members that we are continuing with our debt reduction programme. As a result of policies announced in my budget of April 9, we have been able to reduce the outstanding public debt of Ontario by $369 million to date this year.

Mr. Cassidy: That is the kind of accounting Wacky Bennett used to do.

Hon. Mr. White: Last year we were able to make a reduction of $225 million; so the two-year total reduction is $594 million.

Mr. Cassidy: That is not true.

Hon. Mr. White: It is true, and I will teach you something about government accounting before the day is over.

Mr. Cassidy: You can teach it to your students at Western.

Hon. Mr. White: Now then, sir, I would like to use the occasion to publicly acknowledge the great contribution made to our ministry and to the municipalities of Ontario by the member for Grenville-Dundas (Mr. Irvine) in his former capacity as Minister without Portfolio assigned to Treasury. The Premier has recognized his ability and dedication and we all wish him well as he takes on his heavy new housing portfolio. Thank you.

Mr. Lewis: You are sure it was the first time in the history of the world?

Hon. Mr. White: Yes, sir. That is true.

Mr. J. R. Breithaupt (Kitchener): Mr. Chairman, it is always a pleasure to be involved in the making of world history.

Mr. Cassidy: On a point of order, Mr. Chairman, I did have the floor when we started on the first round of these estimates some four months ago.

Mr. Breithaupt: Well, if the member would be kind enough to yield, the only point I wished to make was to congratulate the Chairman before he allowed the member for Ottawa Centre to complete his remarks.

I realize, Mr. Chairman, that I had made certain remarks when we had some time on the estimates back in June, but I would like to take this moment on behalf of the opposition to congratulate you, sir, on your election to the chairmanship of committee of the whole. You have certainly had a great amount of experience in this area over the last year or so as you became more involved with this work while the newly elected Speaker was taking on added responsibilities partly as a result of the unfortunate illness from time to time of the member for Waterloo South.

I would congratulate you on your election, sir, and I hope that we will be able to continue with the estimates as we have a lot to cram into the next 60 hours.

Mr. Chairman: Thank you. The hon. member for Ottawa East.

Mr. Cassidy: Ottawa Centre actually.

Mr. Chairman: Ottawa Centre.

Mr. Cassidy: Thank you, Mr. Chairman. Perhaps I could join in congratulating you and wishing you that the gift of impartiality will always be with you in your endeavours as chairman of committees for this House.

Mr. Chairman, I would just like to take the finance minister to task on that last statement of his because we've heard this canard so many times about the way in which this government has been reducing the debt of the province.

The facts are, as he well knows, that the debt of the province has been steadily increasing over the last three or four years

and the only thing that has been reduced has been the public, or marketed debt of the province as a consequence of the enormous payments from Ottawa to Ontario in funds under the Canada Pension Plan. I would point out from his own budget in 1973-1974 the net cash requirements for the province was $721 million and that, in fact, there was $950 million in non-public borrowing in that year and $225 million public debt retired.

The net increase in debt of the Province of Ontario in that year was $733 million and the chart about the government's requirements in the budget itself indicates that the requirements would be of a comparable nature in this current year, that is, that the government of Ontario will be borrowing around $700 million or $800 million. That will, of course, be met in the main by the money coming from the Canada Pension Plan, which is money which is put into the pension plan by the citizens of Canada on a compulsory basis and which then relieves the Province of Ontario from the necessity of constantly having to go back to the public market.

Hon. Mr. White: The member for Ottawa Centre can't swallow that triple-A rating, can he?

Mr. Cassidy: No, I can't swallow that at all.

Mr. M. C. Germa (Sudbury): What is the collateral?

Mr. Cassidy: Mr. Chairman, I just want to take something else up too which came up today in question period—

Hon. Mr. White: You can't argue your way around that one.

Mr. P. D. Lawlor (Lakeshore): Oh, come on. The Treasurer swings from budgetary to non-budgetary..

Mr. Cassidy: Yes. Ontario's debt keeps on going up and the Treasurer is conjuring with a certain kind of debt and says that that is going down. The overall debt of the province keeps on going up.

Mr. Lawlor: Of course.

Mr. Cassidy: That's a fact. Now, whether that's wise or not is a different matter and we are not necessarily at odds with the government at all times in the need to use deficits.

Mr. Lawlor: I think that debt reduction stuff is a lot of Conservative malarky. It's just an economic stunt.

Mr. Lewis: When the Province of Ontario is owned by multinational corporations it's not difficult to get a three-star rating from Moody's.

An hon. member: They'd laugh at you if you told them.

Mr. Chairman: Order.. I think the member for Ottawa Centre is quite capable of speaking.

Mr. Cassidy: Thank you, Mr. Chairman.

Mr. Breithaupt: Oh, he is that.

Mr. Cassidy: When this debate adjourned on June 10, Mr. Chairman—it was rather difficult to find out the date, in fact, when we had last been engaged in it—I was talking about regional development policy and about land. During the course of this afternoon the Premier once again has indicated that he, as leader of the government, is simply not aware of the needs of any other part of the province for development and, therefore he thus explains the government's obsession with the needs of Metropolitan Toronto and its region.

He said, as I recall the quote, that he wasn't aware of any needs in eastern and northern Ontario. Very briefly I would like to read into the record some figures of what's been happening in eastern Ontario and indicate to the Premier and to the Treasurer that, in regional development terms, most parts of eastern Ontario are in desperate need of action by the government and that there are no policies visible that we can see in order to get those, Mr. Chairman.

To begin with, Mr. Chairman, the population of eastern Ontario in the years from 1951 to 1971 has gone up by 45 per cent compared to 67 per cent for the province as a whole. I exempt Ottawa itself from this because Ottawa has had the benefit of federal employment. It's gone up by only two-thirds of the rate of the province as a whole because of the lack of economic development.

The farm population of eastern Ontario has declined by 30 per cent, which is a greater rate of decline than the decline in the rest of the province. The labour force in eastern Ontario has grown by just under 70 per cent over the last 20 years compared to an increase of 81 per cent in the province as a whole and a much larger increase in the Toronto-centred region. Once you exempt Ottawa itself you find that the labour force growth in the rest of eastern Ontario over 20 years is as low as

an increase of one-half of one per cent in the county of Russell. There has simply been no growth in the labour force in that area at all.

You must remember that the area began from a depressed state and it has been steadily falling behind the rest of the province over the last 20 years or over the last 10 years, depending on what you want to count. Because of the depressed state of the economy in most parts of eastern Ontario, a fact which is a chronic feature of our economy, the participation rates of male workers in eastern Ontario are about 77.8 per cent compared to 80.3 per cent for the province as a whole. In other words, there are people who have simply given up in eastern Ontario and don't try to get involved in the labour force because the jobs aren't there. For women as well, the participation rate is lower than in the province as a whole and much lower than in the Metro-centred region.

Over the last 20 years, Mr. Chairman, eastern Ontario, which had a fifth of the farm population of the province, has experienced a third of the decline in the farming population for Ontario as a whole, a sign of the decline in the agricultural economy in eastern Ontario.

The average income in eastern Ontario in 1951 was $2,947 per taxpayer, or $216 less than the provincial average, about 10 per cent. That differential has widened to the point where the average taxpayer in eastern Ontario is now $946 behind the provincial average of $7,626 average income. The people of eastern Ontario began behind the rest of the province and they have been falling steadily further behind. If you took out of those figures the people of Ottawa-Carleton, where federal salaries and federal employment growth have been a particular factor unrelated to the rest of the region, you would find that there are enormous disparities between eastern Ontario and the rest of the province.

Let's see now—in Glengarry, for example, the average income per taxpayer is $6,044, or a difference of about $1,600 from the provincial average.

The disposable income per household in eastern Ontario is also about $800 or $900 behind the provincial average of $10,540 in 1971, and if you took away Ottawa-Carleton you find out that the difference is as much as $3,000 between the effective buying power per household in eastern Ontario and in the rest of the province. The gap would be much larger if you looked at the Toronto-centred region, to which the government devotes so much attention, so much investment and so much time.

The rate of welfare assistance in eastern Ontario is higher than for the province as a whole. In 1973, 3.3 per cent of the population of eastern Ontario in December were on family benefits, compared with 2.6 per cent of the population of the province as a whole.

Our agriculture again—the number of farms in eastern Ontario in the 20 years between 1951 and 1971 declined by 42.6 per cent compared to 36.8 per cent for the province as a whole, and the amount of farm land that went out of production was also at a faster rate than for the province as a whole. Here we face a food crisis in eastern Ontario and in Ontario generally, yet over the last 20 years the amount of improved farm land in eastern Ontario has gone down by 20 per cent. It has gone down by approximately 550,000 acres of improved farm land which is no longer in production.

Manufacturing employment in eastern Ontario between 1966 and 1971 in fact fell by five per cent, and between 1961 and 1971 manufacturing employment grew in the region by only 16 per cent compared to the 25 per cent increase for the province as a whole.

Those are a few figures, Mr. Chairman. The reason I put them on the record is because I think that it's significant that the Premier of this province is unaware of any problems in eastern Ontario demanding action by the government and feels compelled to concentrate his government's attention on the Metro-centred region when the facts so clearly show that, Ottawa apart, the whole region of eastern Ontario is desparately in need of government initiatives in order to bring it up to the average level of the rest of the province.

The voters of Stormont recognized the problems that have been created for them by the Ontario government, Mr. Chairman, and recent grants and other things that have been done in the recent past did not impress them. They threw out the government candidate because they wanted to tell Bill Davis the message, and the message was that eastern Ontario is being ignored by the Bill Davis government and it's time that comes to a stop.

We face, in a couple of weeks, another by-election in Carleton East, an area of Ottawa which is of itself relatively prosperous. It's a suburban area. Many of its people work in the government. In one particular area, Rockcliffe Park, a small village municipality within the boundaries of Ottawa, the average family income in 1971 was a rather penurious $38,000 per year. The rest of it isn't quite

this prosperous, but all the same they're not badly off.

What the people of Ottawa have been learning though, Mr. Chairman, over the last while, is that they too are a part of eastern Ontario and it isn't good enough for Carleton East to have a certain measure of prosperity because of the federal government. If there are pockets of poverty within Carleton East among people who depend on the eastern Ontario economy and not on the federal government economy—

Hon. Mr. White: Why did you leave there?

Mr. Cassidy: What's that?

Hon. Mr. White: Why did you leave Ottawa?

Mr. Cassidy: Why did I leave Ottawa? I still live in Ottawa. I don't understand what you mean.

Hon. Mr. White: Oh, I see.

An hon. member: I thought you lived on the Islands.

Mr. Cassidy: No. As a matter of fact I'd better put the record straight. I am now the member for Ottawa and the Valley, given the election of the member for Stormont and the St. Lawrence.

Hon. Mr. White: Oh, I see.

Mr. Cassidy: Yes, I'm no longer the member for eastern Ontario.

Mr. Breithaupt: It's nice to have a divided responsibility.

Mr. A. J. Roy (Ottawa East): Tell him, Mike, tell him.

Mr. Cassidy: Mr. Chairman, the riding of Carleton East is a part of eastern Ontario, and as eastern Ontario goes so goes Ottawa, and that mutual responsibility is beginning to be recognized. And I would predict to you, Mr. Chairman, that that too will be shown when the votes are counted in Carleton East on Nov. 7.

Mr. Roy: You're not suggesting you're going to take that one, are you?

Mr. Cassidy: Well, we'll take your candidate and we may take theirs as well, you know.

Mr. Roy: You want to bet money on it?

Mr. Cassidy: The Conservative riding is a rather interesting bird, having been a Liberal in plumage up until very recently, and now having suddenly found an allegiance to a Conservative Party whose former Minister of Labour he dissociates himself from, whose big blue machine he dissociates himself from, and in fact—

Mr. Chairman: Can we get back to the estimates please?

Mr. Cassidy: —the candidate in that riding, Mr. Chairman, associates himself with the Conservative government only in his pursuit of power, in his wish to take a seat on the government benches and nothing more.

Mr. Roy: Right, right.

Mr. Cassidy: It's as cynical a move as has been seen since John Rhodes came into the government from being a Liberal in Sault Ste. Marie, and John MacBeth from being a Liberal and former reeve of Etobicoke.

Interjection by an hon. member.

Mr. Cassidy: I suppose there's lots of precedence there—

Mr. Roy: What about the Minister of Transport?

Mr. Cassidy: —and as the candidate in Carleton East has said publicly, there is really no difference between the Liberal Party and the Conservative Party. We agree with that statement by the mayor of Ottawa.

Hon. S. B. Handleman (Minister without Portfolio): What about the hon. member for High Park?

Mr. Roy: Oh, John White is going to get mad at you!

Hon. Mr. Handleman: What about the hon. member for High Park?

Mr. Cassidy: Well, he agrees that there's no difference between the Liberals and the Conservatives either!

Hon. Mr. Handleman: He made quite a switch.

Mr. Roy: You said you were going to talk to Prime Minister Stanfield. Have you talked to him? In June, remember?

Hon. Mr. White: Which June?

Mr. Roy: Yes, which June?

Mr. Cassidy: What adds to the paranoia of the party to my right, Mr. Chairman, is the fact that they think that the mayor of Ottawa intends to become the leader of the

Conservative Party and that will somehow do something for the fortunes of the Conservative Party nationally. I assure you that it's unlikely to happen, but if it does, it's unlikely to do anything for the fortunes of the national Conservative Party.

Mr. Chairman, when I broke off the other month I was speaking about regional planning. And just moving over into the area of land, I think that one or two points now need to be raised in view of the government's announcement about yet another vast development plan for land in the north and eastern sectors of the Toronto-centred region, just outside the Metro boundaries. As my leader was saying, the Toronto-centred region plan is in tatters, as has been now written in the press, the planning efforts of the Toronto-centred region staff group are nugatory, are really almost not being done at all. The whole thing has been scrapped by the government and it is now proceeding in a series of ad hoc planning efforts, of ad hoc efforts in development, trying to react to crises rather than to anticipate them.

What is particularly instructive in the announcements about those sewage developments east and north of Metro is the fact that there has been not a whit of mention of any public involvement in the land which will be serviced by those new pipes. The government apparently intends to continue putting the major reliance for housing development on the private sector, despite the disastrous failure of the private sector to provide housing at reasonable cost for people to buy or to rent, whether it's in Toronto or Ottawa or even the smaller municipalities of the province like Thunder Bay.

I think that during the course of this debate the minister should give us a report on the status of the Toronto-centred region plan. I think he should also give us a report on the status of the other regional plans, particularly the one for eastern Ontario, since that one seems if anything to be even more at a standstill than the planning for the Toronto-centred region.

I think that the minister should give us a very clear statement about what the policy of this government is on public ownership of urban, residential and development land, because we don't have it right now. We need a policy. We have statements by the government suggesting the formation of an Ontario Land Corp. We don't know what that's going to do.

The government policy seems quixotic. On the one hand, there is to be public land development in the Haldimand-Norfolk and North Pickering areas. On the other hand, the government refuses to take any steps to preserve the environment or to provide any public participation in land in the Niagara region, in the Niagara Escarpment or in the parkway.

In the cities generally, there is no policy. There has now been some limited encouragement by municipalities to enter into land banking through the Housing Development Act, but that only came after the cities hammered away through the provincial-municipal liaison committee and in other ways at this government in order that they could have the powers to acquire land, because they could see the need in a way that the government could not do. They could see the need and they saw that the Ontario Housing Corp., the Ontario Land Corp. and this government, were simply unwilling to come to grips with the problem, were simply unwilling to grasp the nettle, to confront developers and to put the thrust of land development into public hands rather than in private hands.

We would recommend, Mr. Chairman, and it is our policy that not only should the bulk of the land coming into development be publicly owned but that for the most part it also be on leasehold or Crownhold terms and that this be done in order to ensure a continued supply of reasonably priced housing in order to prevent continued speculation in land both by developers and also by homeowners, who benefit from public land ownership but who should not be allowed to cash in on that benefit by reselling their property on the market at inflated prices.

We would recommend that industrial and commercial land be purely on a leasehold basis so that the benefits eventually accrue to the public. We would recommend, and it has now been accepted by the government in a small way, that condominiums be allowed on leased land—but not on leased land held by private individuals, only on publicly owned leased land. We would recommend that where there is publicly owned land the government take a look at what's happening around our major cities and disengage itself from the dream that it can provide modestly priced housing in single detached form under the HOME plan.

It seems a bit crazy to me that in areas like Glencairn in Ottawa, in other parts of Toronto and elsewhere in the province, HOME houses which are semi-detached or detached on 40- and 50- and 60-foot lots are being built under the government's

land policy, if there is one, while private developers at the same time are providing housing at $10,000 or $20,000 more which is in the form of townhousing and other forms of medium density. It seems to me that the government should use medium densities in order to bring the price of those HOME houses down to the maximum extent feasible and in conjunction with good planning.

The market for land is breaking down. Right now, over the last six or seven months, there has been a temporary halt to the upward spiral of land prices because of the enormous jump in interest rates.

That is what has caused the pause in the real estate market, not the speculation taxes introduced by the minister. Those speculation taxes had no effect on speculation by developers. Developers are still the major people providing housing on the market.

It is noteworthy that despite all the panic and despite the increase in "for sale" signs in the housing market, there still has been no significant decrease in housing prices. In August, for example, the price of housing that was changing hands in Toronto was around $56,000; it had actually gone up by a couple of thousand dollars from the period before the land speculation tax had been introduced by the minister.

So we want to see a very clear statement by the ministry about what is this government's land policy—whether it is prepared to undertake a programme of massive public involvement in land in urban centres and the surrounding areas or whether it will continue to put its reliance on that feeble reed, the private development industry, and therefore set the stage for yet another round of inflated land profits at the expense of the Ontario tenant and the Ontario home buyer in a year or two—if mortgage rates ever come down.

Mr. Chairman, there are a couple of other points I want to make quite briefly, and I think we will expand on them during the relevant points of the debate on various aspects of the estimates. One is that I think the minister should give us a complete statement of what on earth has happened to the review of the Planning Act, which I think was announced more than a year ago but which took so long to get under way.

I was a member, along with the member for York South (Mr. MacDonald) and a number of other colleagues in this Legislature, of the select committee of the Legislature on the OMB, which wanted to go forward to look at the Planning Act and which, given the speed with which we did the first part of our work, might well have had a set of proposals on the desks of MPPs at this time. However, the government chose otherwise. It must have thought the group was far too radical because of the backbenchers who had been installed from the Tory rearguard, and it therefore entrusted this to a separate review.

Nothing has been heard about that. There has been no opportunity yet for public input. The process seems to be in the process of accelerated decay, and that concerns me because of the problems that many municipalities and many citizens' groups are having with the Planning Act.

In fact, what we have been doing since the review of the Planning Act was announced is making some very substantial changes in planning procedures on an ad hoc basis. The Housing Development Act changes are one. The progress in Ottawa, and I think in other cities as well, towards neighbourhood planning, the implementation of Part II studies with full neighbourhood co-operation, is another.

The getting away from the old fashions of zoning to other kinds of controls and the very warm acceptance of development controls which many municipalities have demonstrated, all indicate that that review of the Planning Act should be under way now at a fast rate and should be completed soon, rather than being put in some pigeonhole to wait from some time after the 1975 election.

Finally, I would like to raise a point or two about regional government. I am sure the minister is aware of the malaise that exists around the province with regional governments and with the kind of expenditures which are being found. We will have some figures to table in the Legislature later during the course of these estimates. They don't bear out the horror stories that the Leader of the Opposition (Mr. R. F. Nixon) is accustomed to tell around the province; as he tried to do so unsuccessfully in Carleton East the other day. What they do show is that when regional government is brought in, there is a very sharp, once-and-for-all increase in spending and you never get back to where you were before.

And the figures also show, Mr. Chairman, that this government has moved by a series of ad hoc grants of one sort or another to alleviate the impact of additional regional government spending, rather than making any fundamental changes in the fiscal system.

The minister's reply to questions just today indicates that he is sticking to his intention to load the burden of increased municipal spending on to the taxpayers of the municipalities in the most regressive tax available—that is, the municipal property tax—rather than sitting down with the municipalities and deciding what is an acceptable level, if any, of increase, and then deciding to put that on to a progressive tax source, such as those that are available to the province.

As so often happens with this government, Mr. Chairman, the minister is quite prepared to try and beat the federal government over the head for its failure to transfer enough tax points in order to alleviate municipal financial problems. He has now turned around and is beating the municipalities over the head and telling them that they've got to suffer as well.

But when it comes to Ontario, to the province and to its power to restructure the tax system in a more equitable way, the minister is neither willing to exact the full due from resources and other tax fields which are open to him, nor is he willing to replace regressive property tax sources with progressive income and corporate tax sources.

The government, it seems to me, should now make a statement to bring us up to date on where it stands about restructuring, because this is still seen as a menace in a number of parts of the province, including areas like Lanark and other counties in eastern Ontario. I know what's happening; there's a stick and carrot approach.

The minister and his sidekicks are pushing these areas very hard. In the process of restructuring, the government is putting the boots to many of the traditional values which are strongly held in this province. And these have been eroded far more by the capitalists in the Conservative Party than by the socialists in the New Democratic Party. We, in fact, have been going around the province trying to patch up the damage this government is doing; trying to find ways in which those traditional values can be upheld; trying to find ways in which people can continue to have a sense of identity rather than alienation created by this government; a sense of belonging, a sense of community. These are the things that are being destroyed by this government—

Hon. G. A. Kerr (Solicitor General): That is a lot of nonsense.

Mr. Cassidy: —and one of the ways in which it is doing it is through its regional government policies.

Hon. Mr. Kerr: The member doesn't believe in hard work, does he?

Mr. J. A. Taylor (Prince Edward-Lennox): The member's political philosophy doesn't permit that.

Mr. Cassidy: What? As a matter of fact my political philosophy definitely does.

Hon. Mr. Kerr: It is an alien philosophy.

Mr. Cassidy: The purpose of the socialistic philosophy is to permit the full development of every human individual.

Mr. Taylor: The member doesn't believe that.

Mr. Cassidy: You don't get that under a capitalistic system particularly.

Mr. Taylor: The member doesn't believe in private ownership of property. He just finished saying that people shouldn't own their own homes. They should all rent flats.

Mr. Cassidy: So what does the member for Prince Edward-Lennox think?

Mr. Taylor: I think that's wrong.

Mr. Cassidy: The member for Prince Edward-Lennox believes that the rights of the small group that has substantial amounts of private property should be upheld.

Mr. Taylor: The member should have quoted me correctly. So now I'm everything.

Mr. Cassidy: Under the capitalistic system, Mr. Chairman, the total change in manufacturing employment in Prince Edward county between 1961 and 1971 has been a decline of 25 jobs.

Mr. Taylor: This government has created 964 jobs in my riding at the end of the five-year period through performance loans.

Mr. Cassidy: Oh!

Mr. Taylor: From 1966 to 1974.

Mr. Chairman: Order.

Mr. Taylor: I'll give the member the facts.

Mr. Chairman: Will the member for Prince Edward-Lennox give the member for Ottawa Centre a chance. He has the floor.

Mr. Cassidy: This is a very interesting dialogue, Mr. Chairman.

Mr. Chairman: That's all right. We're not on a dialogue between two members. We're dealing with estimates.

Mr. Cassidy: The member for Prince Edward-Lennox is claiming that the government has created more jobs in manufacturing than actually existed in the manufacturing in 1971 at the time when the government's own statistics were prepared on the situation of employment in the area.

Mr. Taylor: I have listened to the member's figures and they are distorted.

Mr. Cassidy: Under the free enterprise system, Mr. Chairman, in 1971 the average income per family in Prince Edward-Lennox—

Hon. Mr. Kerr: Is there any place that the member for Ottawa Centre would rather be?

Mr. Cassidy: This is rather fun, isn't it? The average income was $7,578, or $3,000 per family less than the provincial average. It was about $4,000 less per family than in Ottawa-Carleton and about $5,000 less per family than in Metropolitan Toronto. These are the fruits of the free enterprise system. The people of Prince Edward are suffering because of this member who comes up here and faithfully votes for free enterprise, which has left his people in penury.

Mr. Taylor: Did you quote how much the province is paying to Prince Edward county and also to Lennox-Addington county in terms of education grants—what percentage of the total cost?

Mr. Cassidy: Well, thank God for that.

Mr. Taylor: It's 79.3 per cent. for the elementry schools, and 79.64 per cent. for the secondary schools and for the Hastings-Prince Edward Separate School Board 87.86 per cent. of the total education costs. So we don't feel neglected.

Mr. Chairman: Order please.

Mr. Cassidy: Thank the Lord, Mr. Chairman, that the government finally took the advice of the member for York South, who for years pleaded for a foundation plan for education and for municipalities.

They have not yet taken the advice as far as the foundation plan for municipalities goes, but there is now equalization in the province to ensure a certain rough justice in education spending between areas which are poor, like Prince Edward county, and areas which are more prosperous, like Ottawa-Carleton.

Mr. Taylor: We are rich in people.

Mr. Cassidy: Richer people?

Mr. Taylor: Rich in people, I said.

Mr. Cassidy: The $7,500 per family income in Prince Edward county, Mr. Chairman, has still got to pay the same amount if they want to buy a Ford car, if they want to buy a television set, if they want to buy construction materials, if they want to buy milk in the store and everything else. The price of all those goods is the same, and the people in Prince Edward-Lennox, under the system that Bill Davis and Jim Taylor and the rest of them have endorsed—

Hon. Mr. Kerr: They know how to save and plan on a private basis.

Mr. Cassidy: —enjoy a family income which is about a third less than the people in the prosperous metropolitan urban areas of the province.

Hon. Mr. Kerr: It costs more, you know that. How about rent? The cost of housing?

Mr. Cassidy: Maybe they enjoy it, but what we say is that people in Prince Edward county shouldn't have to suffer those economic disadvantages simply because they choose, or are compelled, to stay in their county rather than coming to Ottawa-Carleton or—

Mr. Taylor: You don't have all of the economic facts.

Mr. Cassidy: —coming down to Metropolitan Toronto.

Mr. Taylor: You won't listen to the economic advantages.

Mr. Cassidy: There may be certain economic advantages, but when you go to buy meat, the price per pound of meat in the Loblaw store in Picton is going to be the same as the price of meat in the Loblaw store in Metro Toronto, or very close to it. The price of television sets is, in fact, lower in Toronto than it is in Picton.

Hon. Mr. Kerr: Maybe they are raising their own meat.

Mr. Taylor: How many farmers have you got in Metropolitan Toronto?

Mr. Chairman: Order. This is turning into a debate.

Mr. Cassidy: Well, that is what this Legislature is all about.

Mr. Chairman: You debate with the minister, not with the private members.

Mr. Cassidy: This is one member who faithfully upholds the private enterprise sys-

tem, despite the ravages it has wreaked on his own particular area.

Mr. Chairman: Make your remarks to the chairman and the minister, please.

Mr. Cassidy: I am making them to the chairman, Mr. Chairman, with a few asides. I'd point out that, next to Glengarry and Russell, Prince Edward county has had the lowest growth in the labour force of any county in eastern Ontario over the last 10 years—over the last 20 years in fact. The labour force in that area has grown by 25 per cent. compared with a growth of 81 per cent. in the province as a whole.

Hon. Mr. Kerr: Growth doesn't mean prosperity.

Mr. Cassidy: It means you are starving Prince Edward county.

Mr. Taylor: It does not.

Mr. Cassidy: You definitely are. You are starving it of any kind of growth. You are starving all of eastern Ontario, with the exception of Ottawa-Carleton.

Mr. Taylor: You must relate job growth with the general growth of population. You take figures and distort the entire picture.

Mr. Cassidy: Well, you ask yourself, why is the population of Prince Edward county coming down to Metro Toronto? They are coming down to Metro Toronto because there has been no effort by the government to create jobs in Prince Edward county.

Interjection by an hon. member.

Mr. Cassidy: There is nothing to do in Prince Edward county except raise potatoes. And there has been no industry come into the area.

Mr. I. Deans (Wentworth): That's a valuable thing.

Mr. Cassidy: That's a valuable thing, that's right.

Mr. Taylor: Two million three hundred and forty thousand dollars has been given by way of loans to persons locating industry in my riding through EODC.

Mr. Cassidy: Yes, that's fine but that's a bail-out, Mr. Chairman. If you drive down the Don Valley Parkway or you drive across the 401 or any other major arterial road here in Metro Toronto, you will see more industry in five minutes than you will see going 100 miles through major routes in eastern Ontario. That is the disparity that exists between the Metro-centred region under Bill Davis and the Conservative government—

Mr. Taylor: We don't want to be like Toronto.

Mr. Cassidy: I know.

Mr. R. F. Nixon (Leader of the Opposition): The values are far superior to what is going on here.

Mr. Cassidy: That's fine but I hope the Leader of the Opposition isn't supporting the idea that Prince Edward county—

Mr. R. F. Nixon: I'm not supporting the idea that they ought to have wall to wall development in Prince Edward county.

Mr. Cassidy: Neither am I, but I think they ought to have enough development that they can choose to stay there, that there can be good jobs for them to stay there, or they can choose to come to Metro Toronto.

Mr. Taylor: We don't want your steel mills.

Mr. Cassidy: There is no choice right now.

Mr. Taylor: We don't want your steel mills.

Mr. Cassidy: Oh? The Minister of Housing (Mr. Irvine) wants it now. He has suddenly decided to—

Mr. Deans: What is the matter with steel mills? Have you got something against the people who work in steel mills?

Mr. Breithaupt: They don't want to put one in Nottawasaga now either.

Mr. Chairman: Order, please. Let's get back to the estimates.

Interjections by hon. members.

Mr. Chairman: Order. Would the member for Wentworth and the member for Prince Edward-Lennox please stop debating?

Mr. Cassidy: Mr. Chairman, I guess the member for Prince Edward-Lennox lives in the riding, but I believe he originally came from Toronto. He hasn't succeeded in transposing—

Mr. Chairman: Would the member for Ottawa Centre get back to the estimates rather than discussing the member for Prince Edward-Lennox?

Mr. Cassidy: We were discussing in very graphic terms, Mr. Chairman, the effects on eastern Ontario of the lack of planning by the government—

Mr. Chairman: Go ahead and discuss that.

Mr. Cassidy: —and I will continue to discuss it as well. I don't want to go on for too much longer, but the member is being rather provocative, Mr. Chairman.

The point that I am making is that the member is behaving in the same way as if the inhabitants of Rosedale were to say, "We don't want any public housing in this particular part of town," as I am sure they have said.

Hon. Mr. Kerr: Oh, no. They need it here.

Mr. Cassidy: From his position, with an income of $30,000 or $40,000 a year, he can well afford to say on behalf of Prince Edward county, "We don't want any more development here. We want to preserve the growing farmlands and so on."

Mr. Taylor: I didn't say that. I didn't say that.

Mr. Cassidy: Yes, you did.

Mr. Deans: He doesn't want steel workers there.

Mr. Taylor: I don't want heavy industry.

Mr. Cassidy: You don't want heavy industry, okay.

Mr. Taylor: Not on our beautiful island nestled in Lake Ontario.

Mr. Cassidy: Right. Maybe there are some other kinds of industry which could go into that particular area.

Mr. Taylor: And we are getting it.

Mr. Cassidy: You are getting it? That is not what the government's figures show. They show that in fact you are not getting it.

Mr. Taylor: I will give you the figures.

Mr. Cassidy: The figures also show, if you want, that 40 per cent of the income tax payers—and this doesn't count those who don't pay income tax—40 per cent of the income taxpayers in Prince Edward county in 1971—

Hon. Mr. Kerr: Have got good accountants.

Mr. Cassidy: —had an income of $3,000 or less and 37 per cent had an income of between $3,000 and $7,000. I didn't choose to have an engagement with this member; he chose it.

Mr. Taylor: You visit us. We will show you how to live.

Mr. Cassidy: That means that 77 per cent of the people within Prince Edward county have an income of less than $7,000 a year. If you want to compare that with the rest of the province, that compares with about 62 per cent of the people of the province as a whole. In other words, there is a very significant sector of poverty in Prince Edward county of which the member isn't aware because he is obviously very comfortable, as is any member of this Legislature, for good or for ill.

With $30,000, he can say, "We don't want any more growth. We don't mind if people have to move out." But right now the kids of those families making $3,000 and $4,000 are being compelled to move to Hamilton or Toronto, to other parts of the province, to pay the kinds of housing prices that prevail in those parts of the province because there are no opportunities for them. I just hope in the next election that they speak up and tell the member for Prince Edward-Lennox that they have had enough of his $40,000 highfalutin notions about preserving the environment at the expense of any kind of regional economic development.

Mr. Taylor: How did you arrive at that?

Mr. Cassidy: That's exactly what you said.

Mr. Taylor: You are the greatest fabricator that I know.

Mr. Cassidy: Mr. Chairman, I would just like to close—

Mr. Taylor: I am not talking about no growth.

Mr. Cassidy: Well, what are you talking about?

Mr. Taylor: The introduction of heavy industry.

Mr. Cassidy: You have had no growth there. You have had no growth for the last 10 years.

Mr. Taylor: We have wonderful people. We have a lifestyle that you would aspire to achieve.

Mr. Cassidy: Yes, yes.

Mr. Taylor: Don't tell us all about your socialism.

Mr. Cassidy: So the people of Prince Edward county so aspire to achieve it that they have been moving out of that county in larger numbers, relatively speaking, than almost any other county in eastern Ontario over the last 20 years.

Now I know perfectly well, as the member for Prince Edward-Lennox says, that the county is a great place to live. I suspect that those people who moved out didn't move out because of choice. They moved out because they were compelled to because there were no economic opportunities for them in that particular area.

Mr. Taylor: Just listen to some of my speeches.

Mr. Cassidy: Well, I will, with great interest. Mr. Chairman, when I was distracted or interrupted—

Mr. R. Gisborn (Hamilton East): By that carpetbagger from Toronto.

Mr. Cassidy: He is a carpetbagger; that's right.

Mr. Taylor: That is an insult. He should withdraw that.

Mr. Gisborn: He's a carpetbagger from Toronto protecting his interests.

Mr. Cassidy: Well, maybe it's a briefcaser from Toronto then.

Mr. Taylor: Just because you settled on the Toronto islands and aspire to represent the islands—

Mr. Cassidy: As I pointed out to the Treasurer, when he came up with that line again—

Mr. Taylor: Don't shoot disparaging remarks at me.

Mr. Cassidy: As I pointed out to the Treasurer, I am the member now for Ottawa and the valley. There is a member for St. Lawrence and Stormont and we will overwhelm you in the next election. So I wouldn't worry about that.

Mr. Taylor: You couldn't overwhelm a feather.

Mr. Cassidy: Yes, that's what they said in Stormont as well.

Mr. Chairman, I want to point out, as far as regional government is concerned, that there are some serious political problems that have been created by the way in which the regional governments are designed. We would ask that in this session the government bring in legislation to permit, or in fact to compel, the election directly of regional chairmen rather than have the system of appointment which we have had up until now. The system of appointment is turning out to be a bad one—in certain cases disastrous—because of the fact that the regional chairmen have no political contact with people over whose area they reign. And I use that word carefully.

Mr. R. F. Nixon: You are just discovering that?

Mr. Cassidy: We have known that for some time, but it becomes more and more evident.

The regional governments themselves have always suffered from being distant. The government has resisted efforts, such as were suggested to Haldimand-Norfolk, to bring those governments closer to people—to the creation of community committees and other devices such as that. We say that it is time the regional chairmen were elected, it's time that steps were made to bring those governments closer to people, and it's time that there be a financial deal for regional government which recognizes progressive tax sources and which does away with this plethora of special grants, devices, transitional adjustments, you name it, that the government has brought in, rather than coming up with a comprehensive financial deal.

I would just make one other point, Mr. Chairman, which I would like the minister to answer. This is one that affects the city of Ottawa directly and I raise it now because of the urgency of the matter and because I couldn't raise it during question period today.

Some five or six months ago, the city of Ottawa passed a by-law which sets spending limits for candidates to the offices of alderman, controller and mayor. Spending limits were $2,500, $10,000 and, I believe, $15,000 respectively. In good time, Controller Tom McDougall wrote to the minister and I think later to the Premier asking for legislation at Queen's Park in order to give the city the power to enforce those particular limits. Specifically they would either put failure to obey those spending limits under the corrupt practices section of the Municipal Act or else give special powers to the city of Ottawa in its own special Act.

They got a cold shoulder from the minister. I'm sorry I don't have the letter with me today, but the reasons were rather outlandish. I think the minister said to the municipality: "Try the system on a voluntary basis. Your experience will be very valuable and let us know how it works. If it works, then perhaps we would like to apply it on the basis of the province as a whole. And anyway," said the minister, "there isn't time to consult with the provincial liaison committee."

"The first point is that Ottawa wasn't asking that this be made into a general requirement for every municipality across the province. It was simply seeking a way by which, after careful deliberation and the choice of a system for regulating expenditures on municipal elections, it could have the power to enforce that, and the minister didn't apparently see that.

In the second place, we have certain candidates—I have to say it. Asking them to respect a voluntary limit on spending is like asking some crook to respect a voluntary law outlawing bank robbery but with no sanctions attached.

Mr. Taylor: So you equate candidates with crooks?

Mr. Cassidy: I'm just saying that some candidates do not at this point appear ready to abide by the limits on a voluntary basis.

Mr. Taylor: Equating candidates with crooks.

Mr. Cassidy: I am equating candidates with people who, on a voluntary basis, for various reasons, will not abide by the law of necessity. Those who wish to abide by the law and those who wish to play fair are put at a disadvantage by others who right now are spending at rates that indicate they will overdo the limits by a factor of maybe two or three times.

It's very difficult Mr. Chairman, for the city of Ottawa to encourage candidates to respect the laws when there are already candidates who have spent up to $2,000 on an aldermanic election which will cost $2,500. Clearly, they intend to spend far more over the next five or six weeks.

I would ask the minister whether he would bring in one or the other of the very simple amendments which was suggested by Controller McDougall in order to permit Ottawa to apply the spending limits now if it wishes. The general question can be dealt with at a later time.

I would agree the experience in Ottawa of a limit which had legislative sanction would be very useful for the rest of the province. Since Ottawa has been in the forefront of this particular move I suggest their wishes be respected rather than having them kicked in the teeth, which is so often the practice of this government when a particular group, municipality—you name it—wants to make an innovative kind of step. I look forward to the minister's replies on those various points.

Mr. Chairman: Mr. Minister, do you have comments at this time?

Hon. Mr. White: I will be very glad to comment now or after the Liberal critic has—

Mr. D. M. Deacon (York Centre): I think actually the Liberal critic has made his comments earlier.

Mr. Chairman: Yes, I think he made his comments.

Hon. Mr. White: You mean congratulating the chairman was the full extent of the Liberal criticism this year?

Mr. Chairman: I think that the member for Kitchener spoke prior—

Mr. J. E. Stokes (Thunder Bay): That was done back in June, if you recall.

Hon. Mr. White: I see, right.

Mr. Cassidy: You may have been here in body, but not in mind.

Hon. Mr. White: Now let me give a lecture on accrual accounting, its advantages and disadvantages, and the way in which our modified—let me say corrupted—accrual accounting gives even members of the Legislature the wrong idea about our financial activities.

As one will know, corporations accrue assets on the left hand side of their balance sheet and liabilities on the right hand side of their balance sheet. So if they acquire a $1 million building which has an expected life of five years they record the expenditure as an asset on the left hand side of the balance sheet and they write off depreciations, so-called, each year over the anticipated life of the asset. This may be done in one of several ways, but for the sake of my illustration I'm going to assume a flat rate depreciation, together with the 20-year life of this building and so there $50,000.00 per year would be written off.

By the same token, any moneys owing for any purposes whatsoever, be they pension plans or accounts payable, are accrued on the right hand side of the balance sheet, and a final profit is devolved. Our system is quite different from that. If we buy a $1 million

building we write it off completely in the year of acquisition, even though it may yield utility for decades.

Now, to be consistent one would expect us to cash the liability side and indeed if we do so, we see that we have a surplus—may I call it a profit?—of hundreds of millions of dollars—$339 million or thereabouts. If we accrue both sides of our balance sheet and plug in capital invested—and I don't mean indirectly through universities and so on—we would have a profit of more than $500 million.

I read the claims from uninformed persons time after time. Here is an article from yesterday's London Free Press saying we have an $848 million deficit. I draw to the attention of the hon. members several articles which were in the Wall Street Journal a couple of weeks ago concerning the economic consequences of government expenditure, pointing out that the federal government in the States has spent more money than it has taken in nine years out of 10, and then it draws the conclusion that this is the most important single cause of inflation in the United States.

What is the story here in Ontario? We are taking in more money than we are putting out, and that's the reason we've been able to buy back from the market $594 million. The day after my budget a partner in a chartered accounting firm said, "Terrible, terrible, White is running a $708 million budget deficit."

Complete and absolute nonsense. He is looking at one category in a long list of items in our table C1.

However, I went to the partners in the accounting company, who are friends of mine, and said: "I am going to take one of your very best and most profitable customers" — "clients," I think is the terminology in the trade — "and I am going to put them on exactly the same accounting system which I myself have to use to be consistent with previous years." Now, I don't want to embarrass the company but I would be glad to inform the hon. members privately of the name of this particular concern. They recorded earnings for the year 1973 at more than $5 million and, using our accounting conventions, they would have recorded a loss of $17,542,000, and the figures for the year before are comparable.

I am quite prepared to accept this challenge from any company, any corporation, that thinks we profligate, assuming only that that company is expanding and not running downhill — because if they are expanding and putting capital in place, if they had to write off this capital, as indeed we do, they would be recording very large losses, which is one of the several disadvantages of the system we are labouring under here.

I want to go beyond that. I want to deal with the accrued liabilities. It happens that my deputy Treasurer, the handsome gentleman sitting in the gallery here, pays into a pension plan which for inexplicable reasons is recorded as a form of debt. I myself make payments to a pension plan, as do other members of this Legislature, which are not so recorded. How can that be? The MPPs are paying money into a pension plan that goes straight into a consolidated revenue fund. Beyond that, the deputy Treasurer is paying into a fully funded plan, in contrast to the teacher superannuation plan, which is a partially funded plan, and in contrast, as I mentioned, to the MPPs' pension plan, which is completely unfunded.

What do other jurisdictions do?

Some jurisdictions don't have any funding at all, and others have a mishmash such as we have.

I have been trying to educate people to the realization that the obligation toward a retired member of this Legislature, embodied in the statute, is every bit as compelling in the years to come as payments of pension by contract to teachers, As a matter of fact, learned legal experts tell me that the statute is more binding in a sense than a contract.

I think if one were going to do full accrual accounting, one might even have to contemplate putting in some kind of future liability against such provisions as GAINS and mothers' allowances and so on. There would be no end to it. I think what we should be doing here — I don't know if this is the time or not — is to go to a full cash accounting system which gives, in the simplest form, the results of the financial activities of the province.

My concern in this area, funnily enough, doesn't have to do with the present inflationary period. My fear is that when we get into a period of heavy unemployment, one year or 10 years from now—I can't see into the future and I don't know when this will be, but in all likelihood at some future date, there will be increasing unemployment — if we are transfixed by these words "accrued liability" we will be either overtaxing our people or underspending, or both, and in so doing we will not be giving the economy the kind of nutrition and impulse it should have in that phase of the business cycle.

This is an area which has not been studied carefully. It is too complicated for chartered accountants and too simple for economists. The definitive work on the subject, as you may have heard me say, is a book which is to be found in this library entitled "Alternate Methods of Government Capital Accounting," published in 1966 by John White, MA, and I commend that to the financial critics opposite. That will be very enlightening for them.

Now I would like to turn to the second item.

Mr. Cassidy: Nobody else has written along the same vein as you.

Hon. Mr. White: Well, you had better read it before you criticize it.

Mr. Stokes: If it is that good, why don't you adopt it?

Hon. Mr. White: I want to express my admiration for the member for Prince Edward-Lennox—

Mr. Cassidy: We all admire him.

Hon. Mr. White: —who had the fortitude and the good sense to step into the debate while the socialist from Ottawa and — it is not Ottawa and the Islands, I know that.

Mr. Cassidy: Ottawa and the Valley.

Hon. Mr. White: Have they got a new barber down there on the island? Just so we will know. It is lovely.

Mr. Stokes: Watch it.

Mr. Cassidy: If the Treasurer wants to use my house on the island this year, it has burned down and he will freeze.

Hon. Mr. White: Oh, shoot! Well, I want to thank my hon. colleague for stepping in to describe some of the things that this government has indeed done to help in eastern Ontario. Whether we are talking about the Eastern Ontario Development Corp., the great public works that have been put in place there — schools, colleges, universities, public institutions of every kind.

Mr. Cassidy: Does the Treasurer mean the Amprior dam?

Hon. Mr. White: Great new highways like the 401. Great new co-operative works with other levels of government as in the DREE agreement.

Mr. Cassidy: The great long delays on Highway 417.

Hon. Mr. White: I would not pretend for one moment that this is enough. I think we have to bend our backs and come in with even stronger measures to increase employment opportunities for people young and old in eastern and northern Ontario.

Mr. Cassidy: But the government has had 33 years to do it.

Hon. Mr. White: I will be bringing in a bill within the next few weeks to establish the Ontario Land Corp., which will enable the government for the first time to put together a significant assembly for a variety of purposes and which will hopefully, if it gets the approval of the Legislature, enable the corporation to lend moneys to municipalities for provincial-municipal industrial parks, thereby forming a hierarchy of such parks in eastern Ontario, northeastern Ontario and northwestern Ontario.

The legislation is ready. I suppose if the session had gone longer into July, we might have attempted it then. It is complicated enough, I can tell you. It will be coming forward and I certainly look forward to having the support of the members as we debate that bill.

Mr. Cassidy: Why didn't the government do it five, 10 or 20 years ago?

Hon. Mr. White: Well, I didn't have the member here to make the suggestions. Oh, he didn't suggest that, that was my idea, that's right.

Mr. Cassidy: No. I thank the minister for pointing out that it is the opposition pressure that has got things done for eastern Ontario. That is one of the reasons why the member for Stormont should be sitting in these benches.

Mr. Chairman: Order, please!

Hon. Mr. White: Now, the Toronto-centred region plan, which I think was first announced in 1966, has been progressively implemented. Whether one deals with the new regional governments around Metro, whether one looks at the installation of a variety of services, including highways, sewers, waterpipes, hydro lines or whatever, all these take shape and substance from the Toronto-centred region. Just yesterday we had an illustration when my colleague, the Minister of Housing, and the Minister of the Environment (Mr. W. Newman) announced a multi-million dollar pipe to service York, which will enable tens of thousands of homes to be created. This is all in keeping with

the TCR. We have a Central Lakeshore Urban Complex Committee—the unhappy acronym is COLUC—

Mr. Breithaupt: Colic?

Hon. Mr. White: —which will soon be reporting to the government and this report will shortly thereafter be made available to members of the Legislature. COLUC, as I described it in rather a lengthy speech in Hamilton some months ago, is an update and refinement of the TCR. It might be wise for that speech to be circulated to the members of the Legislature if that hasn't been done already. Does the member think it has been sent out already?

Mr. R. F. Nixon: I would think so.

Hon. Mr. White: Then why are all these charges being made? Don't the members read my speeches?

Mr. Cassidy: Yes, we talked to the planners who say nothing is being done.

Hon. Mr. White: Just can't understand them, I see.

Mr. W. Ferrier (Cochrane South): The Treasurer didn't circulate them widely enough.

Hon. Mr. White: Now, the status of the regional plans is something I am going to have to get some advice on when my officials join me here. I'll comment on that later. The Planning Act really has been a very difficult matter. I suppose I am partly at fault. We attempted a year ago to hire a first class planning consultant. I gave instructions that such a person was to be paid no more than $40,000 a year, which frankly seems ample to me.

Some number of people were contacted. They were asked if they were interested. Discussions continued about the nature of the study, some of the details of the study, the length of time of the study, the reporting relationships and the compensation. And then, x number of days or a week having been spent with candidate A, it was decided he wouldn't take it because there wasn't enough money. The same thing with candidate B. And so it went.

Interjections by hon. members.

Hon. Mr. White: Now, in retrospect I must say I made a mistake, in putting that kind of a cap on it. But in my anxiety to protect the public purse, I put that ceiling on that particular position.

Mr. R. F. Nixon: Are you still driving that Chevy?

Hon. Mr. White: When it was impossible to hire a first-class planner at that $40,000 a year salary, it was decided to use a very capable man within our ministry. The name of this man is Mr. Keith Bain. We waited and discussed that approach with the provincial-municipal liaison committee because we didn't want it thought, and wouldn't proceed with the appointment, if the municipalities themselves felt that this was going to introduce a bias into the study.

There were no such objections from those on the MLC who knew the good work of Mr. Bain. He was appointed and had no sooner started his work than he took ill. After some weeks of illness, on his doctor's advice, Mr. Bain informed me that he couldn't proceed as the study director.

At that time—do you want to know all of this? I'm not boring you, I see you are yawning—I'm not keeping you awake, am I?

Mr. Cassidy: Go ahead.

Mr. Breithaupt: You have the undivided attention of all your back-benchers and us too.

Hon. Mr. White: Then we set upon a new search, taking off the $40,000 limit, and went through several names which were attractive to some of my colleagues while not attractive to others. Those who were attractive to some of my colleagues were often not attractive to some of my officials. So we went through a protracted winnowing process at the end of which everyone agreed on a certain person.

Mr. R. F. Nixon: Gee, this is interesting—

Hon. Mr. White: We thereupon approached the certain person who took the matter under consideration and who advised us just this week that he wasn't able to take the job. So now we are—

Interjection by an hon. member.

Mr. R. F. Nixon: You are going to be available next year?

Hon. Mr. White: Now we are going to approach the matter with an inhouse capability to be described to the MLC in Sudbury on Friday. If they concur in this inhouse approach, then we will go ahead with that and the thing will finally get off the ground. And that is the long unhappy story about how I've tried to get this review of the Planning Act started.

The member for Ottawa Centre asked that we provide "the financial deal for regional government." I don't like the word "deal" particularly but I am not going to quarrel about that. If he is saying that we should have certain financial assistance available on a regular basis to the regional governments, that's exactly what they've got. And I'll spell out the details of those various programmes later if you so desire.

If it means ploughing a lot more money into regional governments, I couldn't agree. We've played fair with them. We haven't provided nearly the amounts of money the Leader of the Opposition mistakenly thinks we have provided, but we have provided enough that the increase in mill rates in the regions have been something like four per cent.

Earlier today I promised a full statement on the costs of regional government and at that time I will also undertake to include information about the various grants available from this government.

Finally, I want to deal with the Ottawa bylaw. I don't know of any jurisdiction anywhere in which limitations to expenditures have been successful, because of the ease with which these limitations can be avoided. For instance, how would you credit the UAW union organizers who were the principal canvassers in the by-election in Middlesex South some years ago when they brought in union organizers from all over this province—DAW and steelworkers and all the rest of it? How do you cost that in?

Mr. R. F. Nixon: What has that got to do with it? It's a red herring, if the Treasurer will pardon the expression.

Hon. Mr. White: It isn't a red herring at all.

The second thing that comes to my mind is the impracticality of imposing a set of criteria and constraints on municipal politicians before we ourselves apply them to candidates for this Legislature. And that in turn becomes impossible because we haven't got the final report affecting these matters from the Camp commission.

I think my reply to Ottawa is perfectly sensible. If they want to embark upon this, let them do it voluntarily. If they don't want to embark upon it voluntarily, let them wait for one more election only, until we have the results of the Camp commission, until we ourselves in this Legislature have enacted legislation binding ourselves, until the municipalities have an opportunity to inform themselves about the Camp commission's recommendations, about our application of those recommendations, about the Ottawa suggestion and about other such recommendations from other quarters, at which time, working once again in our provincial-municipal partnership, we can divine what the municipalities would have us do in this matter.

I think that's not an unreasonable position. After all, Ottawa just sent this resolution down here a matter of six or eight weeks ago —10 weeks ago at the very most.

Mr. Cassidy: They wrote in May and in June.

Hon. Mr. White: It hasn't been discussed in any of the municipal associations, to my knowledge, and it hasn't had any airing among the citizens to speak of. To act in that precipitous way, I think, would be a great mistake.

Those are my general replies to the criticism offered by the socialist financial critic.

Mr. Chairman: Shall item 1 of vote 1001 carry?

Some hon. members: No.

Mr. Cassidy: Mr. Chairman, before the Leader of the Opposition goes on to a new subject I just want to take up with the minister the question of the spending limits on municipal campaigns. I take it up partly because of the fact that I originally proposed the idea when I was on Ottawa city council. The minister would probably think that the people in the council expressed a certain sageness of judgment when they turned me down. They said many of the things that he has said. They said it wasn't workable. What about the UAW organizers?" I said. "What about the ad-men and so on?" Then they turned it down at that time.

However, it so happens that this approach is being made now with the support of men who call themselves Progressive Conservatives such as Mr. Benoit and Mr. Guzzo and the other members of the council. The matter has been debated at length by a committee of the Ottawa city council. It has been covered in the press. It has been on the agenda of municipal politics in Ottawa now for a period of approximately 3½ years since it was originally discussed, and any citizen who wished to express views upon it in the Ottawa area has clearly had an ample opportunity to do so.

What the minister is saying is that he will second guess the second largest city in the province when they come up with a reasonable and reasoned request to try something out. The minister may tell them that he doesn't think it will work. They've obviously

looked at that point because they told me it wouldn't work, and I know that during their debates the question of its workability was carefully considered.

Controller MacDougall, who happens to be a Liberal and who piloted this particular measure through the council, drafted the municipal bylaw as carefully as possible in order to define the kinds of expenditures which could be monitored and which could be the subject of the spending limits.

It doesn't matter whether or not the minister agrees with it, and it doesn't matter what Sudbury or Thunder Bay or Windsor or Metro Toronto think about it, and it doesn't matter what the Camp commission thinks is workable for this Legislature. But will the minister not accept the judgement of the people of Ottawa through their area representatives that they'd like to have it for this election? Will he not let them have it this time? Then if it doesn't work they may decide to ask that it be withdrawn.

Hon. Mr. White: I'm certainly prepared to commence a dialogue with the municipalities along that line, but I am not prepared to pass legislation until such an exchange has taken place.

I want to get back to this idea of the councillors and candidates for council embarking on this voluntarily and presumably making a declaration to that effect. I bind myself by the intent of this resolution. Some people, it is said, may decide not to enjoin the other candidates in that self-imposed constraint. If the council's resolution has the full support of the public, my belief in democracy leads me to the conclusion that those candidates not adopting the self-imposed constraint would not be elected.

Secondly, it may have been implied in one of the hon. member's remarks—I'm not entirely sure of this—that the self-imposed constraint was presumably adopted but thereupon cheating took place. I recognize this is a possibility anywhere at any time, but I am not sure that this would be any less effective than the cheating which this kind of limitation has put in train in other jurisdictions—one of the reasons that observers in this area of government, I think, including the Camp commission, conclude that full disclosure is by far the best way of imposing reasonable restraints on the amount of money being collected and expended.

And I want to mention once again, as I did earlier—

Mr. Cassidy: Does the minister believe in restraints or does he believe that corporate money will continue to buoy up the economy?

Hon. Mr. White: —a third point. This is that it's impossible to quantify many of the election services. The NDP on many occasions have availed themselves of union services in a way that hasn't been possible for the other parties, whether we're talking about getting a little printing done at a local printing shop as a contribution, or, as I mentioned earlier, UAW professional organizers knocking on doors in a by-election. So, these are the reasons that I'm not prepared to act in a hurry in that matter.

Mr. Chairman: On vote 1001; the hon. Leader of the Opposition.

Mr. R. F. Nixon: Mr. Chairman, there is a matter that I wanted to raise on item 1 of the first vote, and I would certainly accept your direction if you would like it discussed elsewhere. But it is a matter of policy and it emanated from the Treasurer in conjunction with the development of the new towns that are in prospect in the next few years.

The area that I wanted to bring to your attention, sir, and with strong objection, is the view expressed by the Treasurer that the development of these new communities will be directed and carried out independent of the councils, who presently have what is supposedly the local responsibility there. It's almost as if the Treasurer sees himself as a conqueror taking over some desert island, and, with his gunboats, deciding what is going to happen to that area in the future.

That is not the case certainly in the new town that is projected for Haldimand-Norfolk, or in the others than may be in his mind at the present time in Pickering or elsewhere. Those areas presently have duly elected councils who have access to good planning advice. The minister, through his officials, and the officials of the Ministry of Housing and other emanations of the government, should certainly have an input. But the concept of usurping that local power, in my view, seems to be unacceptable. I'm surprised that the Treasurer would put that forward as the policy of the government.

I have read his statement in defence of the concept and I really must object to it. I hope that there is some way whereby the modification of that concept can return the planning power, with all of the assistance that is available from other jurisdictions, but return it essentially to those locally elected people.

Hon. Mr. White: My hon. friend is depending on a newspaper article which was not incorrect but which may have given him the wrong impression.

Here is a little item from The Canadian Press dated June 21:

> Ontario may have twice the population of Quebec in the year 2001, and Saskatchewan only half its present population, Statistics Canada reported Thursday. Ontario would almost double its population, increasing to 14.7 million in the year 2001, from 7.7 million in 1971.

Almost doubling the population is going to call for very large residential developments in the next 26 years. Many communities in 1974 are saying: Whoa! We don't want a lot more housing.

I don't think that is irrational. If the people in municipality blank—since the last time I used an illustration I got a scolding letter from an alderman—if the people in municipality blank don't want to be any larger than 100,000 or 250,000 or two million people, I don't think that's irrational. What's the alternative?

We have no control over birth rates or immigration, and we can't shoot surplus citizens. We wouldn't want to anyway, they are nearly all Tories. The only alternative it seems to me is to create new cities and that is a policy in its formative stage of this government. We have two new city sites at the moment—North Pickering, which is something like 17,000 acres, and the Jarvis site, which is something like 12,000 acres.

I am in the process of sending a letter to the regional council of Haldimand-Norfolk, and had the opportunity last night at the ACRO convention in Windsor, to discuss a rough draft of this letter with the chairman, Mr. McCombs. In this letter, I set forth the two possibilities. First, proceeding out of the Ontario Planning Development Act, which has several advantages and several disadvantages, or alternatively, proceeding under the more regular course as part of the regional government's own official plan. That has several advantages and disadvantages. We are not going to be arbitrary, we are going to get the response from the regional council before we try to make that decision.

The one thing we can't do, however, is say to the regional council, "You may tell us how large this city's going to be," because we have got to find room someplace for seven million people in 26 years.

Mr. R. F. Nixon: You are talking about densities.

Hon. Mr. White: It is beyond the horizon, if I may say so, of a single municipality, be it a city, township, county or region. However, we're not going to force anything down anybody's throat if that can possibly be avoided while accommodating the large increase in population which is a direct result of having the most glorious jurisdiction, I suppose, anywhere in the world.

Mr. R. F. Nixon: Well, in reply to the comments about the glory of the jurisdiction of Ontario. Surely the Treasurer must be aware of the essential reaction of those people who have run for public office under, let's say, the Haldimand-Norfolk bill. They find themselves councillors in a new jurisdiction grandly called the city of Nanticoke, because it is expected that it will be a city in population terms in the near future, and then read as a press report that the Treasurer is saying, "Those people are not competent to direct this development, but I, and the people who advise me, am competent."

Frankly I feel that the Treasurer's comments have essentially watered down the view expressed at least in those news reports. Am I to understand him correctly when he says that he is going to consult with the elected people in the region?

Therefore, I presume that it would go beyond the chairman to some extent, as to whether they wish the provisions of the Planning Act to be involved, or to leave it to the responsibility of the official plan of the region, that they are going to have an alternative here?

Hon. Mr. White: Yes, this is a question we are putting to them. I can't believe the councillors in the city of Nanticoke were upset. The name of the city wasn't even mentioned. In fact, I wasn't even referring to a new city site or an existing municipal council.

Mr. R. F. Nixon: Well, the press reports were very clear. They were reporting those too.

Hon. Mr. White: I was simply referring in general to the development of new city sites over the next 20 or 30 years. Secondly, I really can't be held responsible for the subtle wording or miswording of some of these newspaper articles. Would you believe it? I can't even discourage the newspapers from printing the taunts of misinformation that pour from the way of the opposition concerning regional government costs and related matters.

Mr. R. F. Nixon: Well, on that matter, Mr. Chairman—since the Treasurer has raised it—is he aware that not only in his time but in the time of his predecessor we have consistently asked for the comparison of costs from the regions that were then established—and as they came forward, as they were being established—with those average costs of the municipalities in the area? We have been told time and again that this information is not available. All we can turn to are the results in that large blue book that he and his predecessors in the former Ministry of Municipal Affairs made available. Those are the figures we work from. You talk about discouraging the press from their reporting, but surely there was no misinformation in the report that the Treasurer said categorically the elected officials in those areas were going to be left out in the cold in establishing the goals for these new and growing communities, just as if they were some sort of inferior natives found in some barren land that the Treasurer had discovered on his own. It sounds like the commissars in Moscow looking at the frozen steppes of Siberia and saying, "We are going to establish a new town there."

Maybe they have every right and power to do so, but I would submit to you, Mr. Chairman, that the Treasurer—perhaps he has been misunderstood, but certainly his words would lead the people of this province to indicate that this judgement is better than those locally-elected people, so far as establishing the goals of their own community is concerned.

I believe he does feel he's smarter and better and must have those powers. For those reasons, some of the glory that he describes as Tory Ontario is going to fade into the past when the people refuse to support it.

Hon. Mr. White: I have never in my life said or implied that I had any more wisdom than the people in the area concerned—

Mr. R. F. Nixon: Why do you assume the responsibility and displace them?

Hon. Mr. White: —and in fact my dedication for years has been to engage the high talents of people right across this province through decentralization and deconcentration. I never in my life said that the councillors in the city of Nanticoke wouldn't be fully engaged, and I should have felt that my more recent remark would give substance to my earlier claim. I know that area very well. In fact, I know that area better than the Leader of the Opposition.

Mr. R. F. Nixon: You didn't even know when you were in my riding. You said Jarvis was in my riding.

Hon. Mr. White: And I know the city of Nanticoke. I spend a lot more time in the city of Nanticoke than the hon. member does. I read the Nanticoke Maple Leaf every week of my life and I have never seen any such reaction as that purportedly described by the Leader of the Opposition. Maybe the Leader of the Opposition would send me the articles upon which this misinformation is based.

Mr. Chairman: The hon. member for Thunder Bay.

Mr. Stokes: He wants to pick up on this point.

Mr. Chairman: The member for Scarborough West.

Mr. Lewis: I want to pick up on this very point for a moment because it seems to me that it touches on much that is central to Ontario. While I was in my office, I was listening to your discussion of population figures and the increases on where you put people. I want to talk about that for a minute, partly in concert with the announcement that was made yesterday.

What is happening in Ontario is government by whim. It's planning by impulse. It's all ad hoc. There is no overall plan for development in the Province of Ontario. There is just nothing left. There was, in the days of John Robarts, a fascinating conceptual idea called "Design for Development," and the Conservative Party applied it, originally in a thoughtful way, to the Metro-centered region, and then in a way of lesser interest to the rest of the province, eastern Ontario being virtually the last little pamphlet to emerge.

But after Design for Development was introduced in a conceptual way, and threshed out in greater particulars for Metro Toronto than anywhere else — in the Metro-centred region than anywhere else — all of the basic planning of this province has gone to pot. There is none left. And your responses are unpredictable and quixotic and they change from day to day.

Your attitude to the North Pickering community project is absolutely perfect. You don't know from one month to the next what the devil you're going to do there. You don't know whether it's going to be a quarter of a million people concentrated in one place,

or 50,000 people in two or three communities, or maybe 200,000 beyond that.

You talk about consulting with your regional governments. The regional councillors of Durham have to read The Globe and Mail in the morning to find out if the Ontario Housing Corp. is purchasing 4,000 acres of land in their regional municipality without so much as a whisper to them that it's going to be done.

You set up something called Haldimand-Norfolk in response to a corporate decision by the Steel Co. of Canada, and then you've got to have a new city in order to accommodate the population.

Now can you tell this Legislature this afternoon where you think the new cities of Ontario should be located? I challenge you to do that. And as I'm standing here you can't do that because you don't know. No one knows. Your responses to new growth and development are entirely impulsive.

Mr. Breithaupt: Reflexive.

Mr. Lewis: Or reflexive. Wherever something occurs you then have to respond to it in a way which leaves the Toronto-centred region plan in tatters, as we said at question period, and distorts basic growth in planning priorities for the entire province.

Talk to us about growth centres in Ontario. Tell us where they are. Tell us now what's left of the redirection of industry. Document for us — we'll do it for you in the next two days — how many loans have been given to the EODC or the NODC in contrast to what is coming to the Metro-centred region.

Explain to us how you got balanced planning in the Province of Ontario. That, in fact, is what is at the root of wrecking regional governments. You don't know what the regional governments are designed to do because there's no overall provincial plan dealing with regional development, with growth centres, with land use and with industrial relocation.

All of those things are now empty rhetoric in Ontario. Do you know what the preservation of agricultural land in land-use planning consists of in this province? It consists of a luncheon at La Scala with John White, William Stewart and members of the corporate community. Members of the corporate community discussing how they will preserve agricultural land through various incentives or disincentives of this government.

You call that long-term planning? You suddenly find that you have a city to establish in Haldimand-Norfolk, and something called the North Pickering community project, and you announce an Ontario land corporation or whatever it is, in response to the decisions which have been made so that through the public sector you'll have some way to effect them.

But the capricious decisions dictate the responses rather than an overall provincial plan. And you're destroying the kinds of orderly growth that the Province of Ontario deserves.

You yourself as a minister were embarrassed beyond description at the behaviour of Stanley Randall when he handed out over $40 million in forgivable loans and plunked them down indiscriminately all over southern Ontario at his particular fancy — also which did great violation to orderly growth and development.

And look at what you're doing to the Toronto-centred region plans. Have you no shame? You put the airport in the northeast part of Metro, which destroyed the plan. You put North Pickering in the northeast part of Metro, which destroys the plan.

Yesterday, as a matter of honour, the Minister of Housing announces enough houses in the next 20 years for 700,000 to 1 million by building the new pipeline. You know where they are going to be? They are going to be in those areas that were called "protected corridors" in the Toronto-centred region plan. You are going to make a bedroom suburb from North York to Barrie, uninterrupted. You call that planning.

Then you plunk the airport on the northeast corner of Metro and it all meshes into one population mass with a concentration of goods, services and people as yet unheard of in the Metro-centred region. That is not responding to immigration or population growth. That is inviting it. That is reinforcing it. That is distorting all the economic priorities of Ontario again. That is because you have no plans.

I sat down 10 days ago with the regional councillors of Kitchener-Waterloo and they told me that they have been waiting for months, years, to find out whether they can have sewerage and water expansion approved by your ministry or by the Ministry of Housing, in order to have some further growth in Kitchener-Waterloo. I don't know whether or not it is valid but they can't get an answer from you. Your first answer necessarily benefits Metro Toronto, not Kitchener-Waterloo, because again this is the obsession —where we are now—this is where you have

struck your priorities at the expense of the province. You have no plans for the rest of the province so you don't know how to fit the other factors in.

Mr. Cassidy: Right.

Mr. Lewis: It is unbelievable how you have abandoned all the planning. The people who drafted the Toronto-centred region document must be quietly drinking in the halls—

Mr. Stokes: He doesn't want to make a liar out of Fortune magazine.

Mr. Lewis: —to overcome the kind of indignity that has been done them by the way in which you have treated the document. The document had some merit when it talked about growth east of Metropolitan Toronto, meaning east of Oshawa. You have interpreted that to mean growth between Scarborough and Durham. Imagine!

And you can't tell anyone in the House where you intend to put your satellite communities, or where in the province you think they must and should go and enter into a discussion with regional government as to whether or not that is appropriate. You have done none of those basic planning projects.

You had a magnificent chief economist; I don't know him as well as you do but I probably have as much respect for him. And you have a very talented planning secretariat, but nobody is able to do any long-term economic planning in Ontario. If you want to know why you are harassed on all fronts, electorally as well, it is because of this sense that nothing filters down, that somewhere, for reasons which are largely personal, quixotic, day-to-day, John White or someone else makes a decision which affects the future growth and development of Ontario, without any reference to basic overall planning.

Until you come before this Legislature with a plan about industrial relocation away from Metro and with the precise incentive or disincentive to accompany it; until you come before this Legislature with a policy to preserve agricultural land which consists of something more than lunch at La Scala; until you come before this Legislature with some sense of where new communities should grow and why, and in conjunction with the regional or locally receptive governments, until you come before this Legislature with some kind of overall sense of priorities now that Design For Development is dead, then the whole thing is a farce. It makes no sense. You are lurching from proposal to proposal rather than thinking your way through. I think some of your own members understand that.

It happens the Treasurer is an unusually able politician. I can concede that. He is a knowledgeable man, and he can make some of these decisions on the basis of the information he has, because he has more—what? more panache, more self-confidence, more personal reassurance than some of his colleagues, but that is not called planning. That is called bravado and it is not serving Ontario. It is serving John White.

That's all right. That's—

Mr. Stokes: —the everlasting monument.

Mr. Lewis: —the nature of politicians I suppose. But it is of no use to the province.

I really don't think you can answer the question that all of us are putting to you. I presume my colleague from Thunder Bay is sitting and wondering how it is that yet again from $200 million for a pipeline to $25 to $30 million for Krauss-Maffei, everything is visited on Metropolitan Toronto. We asked the voters of Cornwall, "How do you like your transportation system?" as we went from door to door. And they told us; then they voted NDP. And we have been going door-to-door in Carleton East and asking the voters there: "How about OC transport?"

Do you know it's easier to get around within the Metropolitan Toronto area than it is to get around the townships of Gloucester and Osgoode? Do you know that in the process of your fixation with Metropolitan Toronto you've got whole communities where you can't even make it from one place to another within the community? Thirty million dollars you can invest here; a few hundred thousand dollars you don't have time for there. It's all out of whack because you have no overall plan. New Democrats make no apologies for having the sense of economic planning that's central to political life. Until you do it you're in trouble.

I really think that that's part of the problem with regional government and maybe it's even part of the problem with regional government costs. They really don't know where regional government costs. They really don't know where they fit into the provincial plan because there is no plan. They just don't know what authority they should take, what they should do, and how they should develop, because they have no sense of the entire problem, and what your priorities are. I think that it is one of the Achilles heels of your ministry.

I would be interested to know whether you can tell us of your precise programmes for relocation, of your precise demographic projections, area by area, of your projected new communities, and of the ways in which you are going to finance these things. It would be useful for us to know what your plan for Ontario is since everything else is predicated on it.

Mr. Chairman: The hon. minister.

Hon. Mr. White: Well, sir, I would say the remarks of the leader of the NDP are somewhat unfortunate and somewhat unfair to those concerned. I am going to beg the indulgence of the House to spend five minutes reading an update on what the regional planners are indeed doing, and then I will attempt to answer the several questions which were at the conclusion of the member's remarks.

The estimates include $525,000 for further study and refinement of the central Ontario region concept. This amount will be allocated among four areas of primary concern, namely, Simcoe-Georgian, Northumberland, Oshawa-Whitby and the central Ontario lakeshore urban complex which I mentioned earlier.

I would like to describe briefly the area task forces: The Simcoe-Georgian task forces retain a consortium of consultants to develop a series of growth strategies for a study area. A field office has been established at the county building in Midhurst. The work programme is divided into two phases; the first phase is further divided into two parts. The initial part, phase 1(a), includes all data collection, initial contacts with politicians and the public, attendance at political and technical committee meetings, establishment of a field office in preparation of a report. Phase 1(a) was completed at a target date of May 31.

Phase 1(b) will include an evaluation of growth alternatives, continued public meetings, attendance at political and technical committee meetings and the preparation of a second report. This portion is scheduled for completion by Dec. 31, 1974.

Phase 2 will include refinement of the growth alternatives from the results of phase 1(b), as well as detailed discussions and presentations and results of the refinements and a final report.

The Northumberland area task force has selected a consultant from a short list of three to carry out a growth strategy study from Northumberland county similar to that being done here in the Simcoe-Georgian area. A project office has been established in the county building in Cobourg. The phase 1 report has been submitted recently and is now being reviewed by the task force.

Oshawa-Whitby: Work to give effect to the province's strategic intentions for the area east of Metropolitan Toronto is proceeding. Special studies are needed to provide an adequate information resource base to underpin our programme for the area east of Metro and for the region as a whole. For example, examination of the system of small urban places to provide planning policy guidelines, examination of the effects of government stimulation measures as a guide to future action.

Turning to the central Ontario lakeshore urban complex: The interministerial task force on COLUC, to which the regional planning branch has provided a support staff, completed its work May 31. A presentation was made to the advisory committee on urban and regional planning in mid-June. A number of changes have been made in their report. It is now being prepared for submission to the cabinet.

We have a number of studies in northern Ontario which I think—Would you like an explanation of them?

Mr. Lewis: We know the studies.

Hon. Mr. White: I don't mind going further. In fact, I think perhaps I will if you don't mind.

Mr. Lewis: How long will it take?

Hon. Mr. White: It will take another five or 10 minutes, I imagine.

We have a study on the subject—a declining gold mining area study. The sum of $50,000 has been placed in the estimates to continue a study jointly undertaken during 1973, 1974, by this ministry and DREE.

Mr. Stokes: You're going to find out why the gold ran out?

Mr. Lewis: That is a pretty useful study.

Hon. Mr. White: It is now proposed to proceed with some project implementation and the formulation of further coordinated projects. Further detailed study is required and an interministerial committee oversees this project.

Thunder Bay industrial complex: An interministerial task force started a preliminary investigation into the potential feasibility of this project—the feasibility of accommodating a number of major enterprises in one location. Limited finances are included in the regional priority budget to complete the investigation, including site evaluations. Our

first report on site evaluations was received on Oct. 1, 1974. The final report will be available by November 1974.

Northeastern Ontario, phase 2: The phase 2 report is now being completed and its release is anticipated by the end of the year. It will take into consideration the public response to the phase 1 report and will set out proposed recommended planning guidelines.

Mr. Lewis: Four years later.

Hon. Mr. White: In other regions a report on eastern Ontario has been completed by the regional planning branch. It takes into account the public response to the phase 1 reports and sets out recommended planning guidelines for the region.

Mr. Lewis: When is that coming?

Mr. Cassidy: When is that coming?

Mr. Lewis: Have you seen the phase 1 report for eastern Ontario? It could have been written by a 15-year-old—by a bright 15-year-old.

Hon. Mr. White: It is anticipated that the report will be considered by cabinet in the near future.

A study of the alternative choices for growth in southern Ontario started recently in the branch. It will examine development trends and opportunities in this part of the province, the constraints to development flowing from social and environmental concerns, the use of land and resources, and will identify various development issues. This comprehensive study will result in a series of interim reports—

Mr. Cassidy: I don't believe it.

Hon. Mr. White: —the first of which will be available in early 1975.

Mr. Lewis: You keep reading—this is unbelievable. Do you realize what you are saying?

Hon. Mr. White: The sum of $250,000 has been placed in the estimates to provide for the setting up of 10 advisory committees to act in an advisory capacity to the government on regional planning matters.

Mr. Lewis: This is no joke.

Hon. Mr. White: The first municipal—it is only a joke to you, because you don't understand it.

Mr. Lewis: Come on. These ministerial task forces and advisory councils and study groups—what nonsense.

Hon. Mr. White: The first municipal advisory committee has been established in northwestern Ontario. A similar committee for northeastern Ontario will be established shortly. Both will be made up of municipal representatives from the region. The first meetings of the northwestern Ontario committee have already taken place. Final details of the northeastern committee will be settled in the near future.

Mr. Lewis: You better now explain how it all fits in.

Hon. Mr. White: I came to the subject of planning as a virgin so to speak—

Mr. Lewis: Yes, right, bring you back to the square.

Hon. Mr. White: It was an area of governmental activity in which I hadn't taken any particular personal interest.

Mr. Cassidy: Many virgins at least know what it is about.

Hon. Mr. White: For some of the early part of my tenure, when I was busy with the first budget and its aftermath, I had to give planning a lower priority.

Mr. Lewis: You certainly did; self-preservation was rather higher. Survival is more important than planning.

Hon. Mr. White: I thought so.

At some point I did interest myself directly in regional planning and I did give instructions that a full provincial plan was to be produced.

Mr. Cassidy: Just like that.

Hon. Mr. White: I was told by the planners that many of the studies done to date could be utilized in an overall plan — that such an overall plan could not be available. I think it was said, for another couple of years. So I said "Put together the best plan you can for the fall of 1974", and that plan is coming forward.

No doubt my hon. friend will probably be better informed in this matter than I am. His sources are so up-to-the-minute.

Mr. Lewis: No, the Treasurer must trust his own ministry. We have no contact with them.

Hon. Mr. White: There's no secret about it anyway as far as that goes.

Insofar as relocating industry is concerned, we now rely very largely on what the market force is, it's true. By which I mean: a transaction which came to my attention just a couple of days ago was at a land price, I think, of $260,000 an acre while land can be bought in eastern Ontario for less than $1,000 an acre. The very high wages paid in this part of Ontario, with other higher costs which are symptomatic of a large cosmopolis, help to diversify industry to some extent. These market forces are supplemented by a variety of Ontario provincial government programmes of which the EODC is the most obvious.

What we haven't attempted, and I think will not attempt for a very long time, is to pay companies to move from London, Ont. to Cornwall.

Mr. Lewis: What about the location in the first place?

Hon. Mr. White: What we will be doing, as I said before the hon. member came in, through the aegis of the OLC is to put several important industrial parks in place, each run by a project corporation. The OLC concurrently will lend money to those municipalities for provincial-municipal industrial parks thereby forming a hierarchy of such parks in eastern Ontario, northeastern Ontario and northwestern Ontario.

The work for some of these things is well along. When the legislation is passed, if indeed it meets the approval of the members of the Legislature within the next month or two, the OLC will be in business under its own board reporting to the Treasurer. As presently designed, the OLC will go to market with its own securities. It will lend the borrowed moneys to the project corporations, taking back a mortgage to protect the bondholders of the OLC. Retirement of those project corporation bonds will be made as lands are leased or sold.

I don't mind answering further questions on this if you so desire. What are the other questions you had?

Mr. Lewis: Now I understand, by what you indicated, what has occurred. I'll add just a word. I think you thought when I started to speak — or just to discuss this with you — that we had somehow heard of your imminent provincial plan. I just want to assure the Treasurer that there is not the slightest possibility.

One of the reasons I was prompted to speak was because of the question and answer exchange which took place at the Association of Counties and Regions this morning, when we spent some time discussing the absence of an overall provincial plan. It was in my mind as I came into the House and that's really what spawned that. But I am fascinated to learn that sometime this fall we're going to have something called a provincial plan that would probably be of immense benefit for everyone.

All I point out is that, despite the fact that we don't yet have a provincial plan, all of these things are in place. Two major new cities; a major new pipeline; a major new airport; an Ontario Land Corp. designating industrial parks.

You said some astonishing things. You said that "recently, by the branch" you are starting a study on southern Ontario to identify development choices in such matters. In 1974 a study for southern Ontario to look at development choices amongst other things? You have been making your choices all the way along. They are now fixed; locked in.

All I am suggesting is that there has been so much ad hoc-ery about it in the last three or four years that it has done real damage to rational economic development in Ontario. What one starts with, unless one is a Tory is a plan for the province. You should have held out for a few months, lusting though you were, and you might have had a provincial plan within which these other things could fit. But as it stands all the things are in place. Then your provincial plan comes to be superimposed upon them. That is really backwards, to use the kindest expression.

I can't ask you where you think your large communities might go because you don't know. You don't have the plan yet. I can't even ask you where you think the Ontario Land Corp. is going to put all its industrial sites, because it is making those decisions apparently independent of the regional governments or of a provincial plan.

I am glad for the information that there will be unveiled, presumably in November of 1974, a plan for Ontario, courtesy John White. The next instalment of Design for Development which began when? In 1972? In 1966? I guess it was before the provincial election of 1967. It was 1966. And in 1974 —eight years later—we are finally getting something called a provincial plan. And between 1966 and 1974 we had distorted every sane and intelligent economic planning principle in this province.

So don't ask us to turn cartwheels when you reveal your plan. I don't know what kind of charade you are dealing with, with all these regional governments that are expected to make decisions when you have no overall conceptual view.

Hon. Mr. White: I want to point out to the hon. member that if he checks Hansard he will see that six or eight months ago, I said, "I want an overall provincial plan." I was told at that time it would take two years or more, I can't remember.

Mr. Lewis: So you said, "Give me the best you can."

Hon. Mr. White: So I said, "Give me the best plan you can for the fall of 1974." Now this will not be a perfect, all-embracing, provincial plan. It will be the first such attempt at a broadly based plan, however.

Mr. Lewis: That is incredible.

Hon. Mr. White: Even though it may be rudimentary I am sure it will be very helpful.

Mr. Lewis: I have no doubt it will be helpful. But look at what you are saying.

Hon. Mr. White: My hon. friend will think it is the first full and final product.

Mr. Lewis: You have interministerial committees proliferating all over the place incestuously. You have advisory committees everywhere. You have study groups and advisory councils emerging all around you. You have several regional governments in place. You have all kinds of Designs for Development under way and you are saying proudly that you are going to have your first provincial plan in 1974—in the fall. Just imagine what damage you have done to economic priorities in Ontario in the process. That, of course, is what really reveals the essential barrenness of the whole policy towards economic growth and development in Ontario.

Mr. Chairman: The hon. member for Thunder Bay.

Mr. Stokes: Thank you, Mr. Chairman. The minister in responding to the lead-off comments from the critics of the two parties asked if members over here ever read the speeches he made as he went throughout the province, in fact, right across the entire continent, holding forth on the great things that were being done, and the leadership that was being shown by the Province of Ontario. I read the speeches that come across my desk made by the—

Hon. Mr. White: Yes, but can you understand them?

Mr. Stokes: That is what I am going to ask. I am going to ask for some clarification of some of the things the minister has said. Unfortunately, I don't have the speeches with me. I was going to have them and maybe I could get your colleague, the Minister of Industry and Tourism (Mr. Bennett), to explain them to me. But now that I have this opportunity, I am going to ask first hand. There was one that the Treasurer made in Newfoundland not too long ago. He went down and he told Premier Moores, et al, that Ontario wasn't really a fat cat province keeping everything to itself. He wanted to assure the people in Newfoundland that we had all of the industry that we could handle at the present time down around the "golden horseshoe" and in Metropolitan Toronto, and that the government wouldn't mind sharing some of it with the have-not Province of Newfoundland, along with its technical knowhow and its planning genius and its ability to come up with an industrial strategy—

Mr. T. P. Reid (Rainy River): That wasn't this province.

Mr. Stokes: —and that they would be happy to share that with the poor people down in Newfoundland. Well, it was with a great deal of dismay that people in northwestern Ontario heard an admission from the Treasurer of this province that he had more industrial development in the Metropolitan Toronto area than he could handle, and that he would quite willingly deal some of it off to the have-not Province of Newfoundland.

I want to tell the minister here and now—in case he hasn't been told by his advisory committee on northern development; by the interdepartmental committee on northern development; by the interministerial committees that are ongoing and which advise him on economic policy and regional development—that we do have a section of this province called northern Ontario; that area north of the French River. That is where you have a framework for Design for Development in northeastern Ontario; and you have an actual Design for Development in northwestern Ontario that has been accepted as government policy. And if it wasn't for the efforts of the Minister of Natural Resources (Mr. Bernier) to deal away excessive timber limits, there would be no meaning at all to an industrial Design for Development in northwestern Ontario.

I am wondering why the minister goes to St. John's, Nfld., and says: "We are really

digging ourselves into a hole in Metropolitan Toronto and the environs of our provincial capital because of our inability to cope with too much economic development and too much industrial expansion in the Toronto-centred region." In both northwestern and northeastern Ontario, we are crying for this kind of development to provide employment opportunities and economic opportunities to provide an industrial base; to provide an adequate tax mix of industrial, commercial and residential development; to provide the much-needed services that our people have come to expect—even those living in remote areas of northern Ontario.

I am wondering why the minister says those things if he is really serious in coming to grips with the developmental plans and the developmental problems of an area such as northwestern Ontario, where you already have the design—albeit you don't have an overall industrial strategy for the Province of Ontario. It is pretty difficult, I suppose, to deal with one particular spot of Ontario without having some regard for an overall plan. But surely in the interim you can say that until you have a plan—whether it be a fairly superficial plan—but in the meantime you do know what you have in northwestern Ontario. You have Design for Development, Phase 3, that has been accepted as policy by this government.

The only thing you have done to date, really, is to set up or indicate that you are willing to set up an advisory committee made up of representatives from all of the municipalities in northwestern Ontario. You don't even have an interministerial committee to talk to them. In fact, the consultant who is responsible for the implementation of Design for Development, Phase 3, sits over in the Frost Building in Toronto with two economists, or two analysts. They don't even reside in the region whose plan they are responsible for.

What kind of a commitment is this to the Design for Development that you trot out every time somebody asks you about an industrial strategy? When somebody backs the minister into a corner and when he makes these statements and these speeches as he trots throughout the province and throughout the country, he blames the federal government.

I don't want to be an apologist for the federal government. Granted, they haven't accepted their responsibilities for an overall industrial strategy, but surely there are initiatives that can be taken by the province in the absence of some concrete action, some overall planning for the entire country. You do have options open to you where you can say you will provide realistic incentives. We are going to get into that when we talk with the Minister of Industry and Tourism about the failures and the shortcomings of the incentive programmes from ODC, NODC and EODC. What you should be doing is providing disincentives to discourage the kind of growth that you were decrying down here and that you were decrying when you spoke recently in St. John's, Newfoundland.

It all boils down, Mr. Minister, to the fact that you've got too much in southern Ontario of what we haven't got enough of in northern Ontario. You have it within your power, albeit it would be much easier if you had the assistance and the input and the co-operation of the federal government. There are many, many initiatives that you can take with the expertise that you have, the kind of clout and the kind of incentives and disincentives that you could utilize in order to effect the kind of decentralization of industry and commercial enterprises to the north where it is so badly needed to provide some viability for those communities.

In doing so, you would relieve the pressure for land speculation, the pressure on agricultural land, and the pressure for millions of dollars for new modes of transportation in urban areas. All of these problems are going to continue to be aggravated as long as you sit idly by and watch uncontrolled development in the Toronto-centred region. It's going to continue to be with us until you take the initiative to decentralize—I'm not saying to direct—and to provide the incentives for people really to establish in the north where it would relieve the problem here in the south.

Hon. Mr. White: Mr. Chairman, I like the hon. member very much personally—

Mr. Reid: That is the kiss of death.

Hon. Mr. White: —and I know that he is not a red-hot red. In fact, I have heard him say that he is more conservative than I am. I am going to tell you it is ever so much harder to get a corporation to locate its plant in a riding held by a socialist. What is that? Because the socialists, with one or two exceptions—

Mr. Stokes: Why is Kimberly-Clark spending $200 million in my riding?

Hon. Mr. White: —that they send down from northern Ontario spend most of their time criticizing the employers in their cities.

Mr. Stokes: What is Kimberly-Clark spending $200 million in my riding on?

Hon. Mr. White: So, if my hon. friend is really serious about helping—

Mr. Ferrier: What a lot of garbage!

Hon. Mr. White: —to develop northwestern Ontario, the first thing he better do is to encourage his pals in his caucus—

Mr. Stokes: I have a better rapport with companies in my riding than you have in yours.

Hon. Mr. White: —to stop destroying the morale of the management class and the corporate shareholders.

Mr. Lawlor: Why don't you stick to your duties as Treasurer?

Hon. Mr. White: I'd like to give you a report on what we are doing in northwestern Ontario. But before I do so, let me put it in context. I have been to many parts of the world drumming up business for Ontario. That's what I am. I'm a salesman.

Mr. Ferrier: You are an apologist.

Mr. Lawlor: You are a propagandist.

Hon. Mr. White: I've never pretended to be anything more or less than that. I have been as far away as Yugoslavia and Japan saying the same thing: "Listen, you buy more from us and we'll buy more from you. Let's do more business together. We'll have more employment and you'll have more employment. We'll have good profits from these transactions," And so on.

Mr. Lawlor: How did you get along with those socialists over there?

Mr. Stokes: And you told them to come to Metropolitan Toronto.

Hon. Mr. White: I thought to myself wouldn't it be appropriate to say this to people in other parts of Canada, and indeed is this not part of my function as the Minister of Intergovernmental Affairs? I decided it was. So I invited myself to Newfoundland. Mr. John Crosby, who was then the Minister of Finance, was a little surprised, I think, that I might suggest such a visit, wondered what I might have up my sleeve, decided that very little harm could be done—

Mr. Breithaupt: You mean there was some doubt?

Mr. Reid: He doesn't know you.

Hon. Mr. White: —and thereby rendered an invitation to—

Mr. Breithaupt: He has been reading your speeches.

Hon. Mr. White: —my officials and myself and my colleague, Mr. Irvine. All four of us went down there for a couple of days and I told them—

Mr. Stokes: For some deep-sea fishing.

Hon. Mr. White: —just about what I have had to say to Yugoslavians and others: "Listen, let's do more business together." In the process, I pointed out that if, in whatever way, Newfoundland could attract industry which would otherwise land in some of the hot spots of this province that would be a good thing for Newfoundland and that would be a good thing for the hot spots.

Mr. Stokes: What about the cold spots in Ontario?

Hon. Mr. White: I hope my hon. friend doesn't put too parochial an interpretation on these events. Quite obviously, my first responsibility is to eastern and northern Ontario. But let us not scream too loudly if Newfoundland does succeed in inducing some industry to locate there, or if Alberta, for that matter, is successful in getting some chemical industries around its petroleum deposits. Isn't that what Confederation is all about?

So, having said all that—

Mr. J. E. Bullbrook (Sarnia): You pay lip service. Just let me say one thing—

Hon. Mr. White: The member is going to have to wait, because I've got a long story to tell about northwestern Ontario.

Mr. Bullbrook: I didn't realize that at all.

Hon. Mr. White: Yes, I have just got started. Now sir, the sum of $14 million has been placed in the estimates to provide economic and social development programmes in eastern and northern Ontario. The provincial share of DREE programmes in Cornwall and northwestern Ontario is included in this amount, as well as the regional priority budget for northwestern Ontario.

Mr. Cassidy: And nothing for the rest of eastern Ontario, apart from Cornwall.

Hon. Mr. White: This is the second year in which a regional priority budget has been developed in northwestern Ontario.

Mr. Deacon: Where has it been developed? Here in Toronto?

Hon. Mr. White: Details which I will give you show the allocation of $9.4 million to 10 provincial ministries for regionally significant projects such as the building of resource access roads, assistance to the city of Thunder Bay to extend trunk line sewers and assistance to rationalize the delivery of social services in northwestern Ontario.

We have a DREE agreement touching northwestern Ontario which was signed, as the hon. member knows, on May 23, 1974. Under this agreement, the province and the federal government will each contribute $6,511,150 during this fiscal year. An interim Ontario Northlands agreement and an agreement for the Dryden area are also expected to be signed soon. I have information about Cornwall which I will save for the new member.

Mr. Cassidy: Read out what you have in the rest of eastern Ontario.

Hon. Mr. White: I am going to run through some of the details of this and when you've had enough, stop me, because there are three or four pages. Since 1970, a continuing interministerial programme has successfully begun implementation of many of the 69 recommendations contained in the northwestern Ontario Design for Development, Phase 2, policy recommendations. In the 1973-74 fiscal year a process of regional priority budgeting for northwestern Ontario commenced, whereby $2,440,000 was allocated by the Minister of Treasury, Economics and Intergovernmental Affairs to other ministries to expedite the implementation of these recommendations. In the 1974-1975 fiscal year this programme has been accelerated and programmes totalling $9,533,950 have been approved for allocation to 10 ministries, as illustrated by the following: Ministry of Colleges and Universities, the purchase of two mobile teaching laboratories for Lakehead University to enable residents of areas distant from the university to complete certain science credits, $110,000. I think I will take one example from each ministry and then I can add to that if you wish.

The Ministry of Community and Social Services: Design of an integrated service delivery system to rationalize the delivery of social services in northwestern Ontario, $61,700.

The Ministry of Consumer and Commercial Relations: Research to determine consumer needs and recommend a consumer education and information programme to meet these needs, $50,000.

The Ministry of Correctional Services: Hiring of native people as volunteer probation officers, $54,000.

Ministry of the Environment: Assistance to the city of Thunder Bay to extend trunk line sewers as part of the city's programme of sewage system upgrading; the purpose of this project is to strengthen the city's role as crime rate centre for the northwestern Ontario region; $2,625,000.

Ministry of Industry and Tourism: Tourism development in the town of Cobalt; $140,000.

Ministry of Labour: Research to determine the region's manpower adjustment needs and facilitate the application of appropriate manpower programmes, $32,500.

Ministry of Natural Resources: Preparation of Lake of the Woods land-use plan, $75,000.

It goes on, for a total of $9,533,950 for northern Ontario.

I have a similar explanation for Cornwall if it is required.

Mr. Reid: How much of that is federal money?

Hon. Mr. White: Less than half.

Mr. Deacon: It is interesting, after hearing the explosive remarks made by the Treasurer to the member for Thunder Bay about socialist members, to relate that the other day I was having lunch with a person who said, "The really dangerous thing about the present Treasurer of Ontario is he pretends he is private enterprise." As a matter of fact, he said, "I don't think things would get worse; they might get better under an NDP government than they are under the present Tory government, pretending to be Tory but really socialist."

Mr. Cassidy: That's what the voters of Stormont thought too.

Mr. Ferrier: The red Tory.

Hon. Mr. White: In fairness, though, I have been a businessman all of my life. Now what policies doesn't he like? What is he, a land speculator? What is he?

Mr. Deacon: I just started to tell you of some of the things he doesn't like.

Mr. Bullbrook: You take yourself seriously; that is the problem.

Mr. Deacon: As an example of the things he doesn't like—

Mr. Bullbrook: Let the Treasurer talk about his land speculation tax. Does he want to talk about that?

Mr. J. M. Turner (Peterborough): Does he understand it yet?

Mr. Deacon: —is the fact that the whole plan for development of this province is really just a plan for big sewers in this province; that's all it is. All the so-called planning to disperse development has been completely ineffective because it hasn't been thoroughly done to provide the quality of life, the quality of environment that the people in each area want.

For example, this scheme that was announced the other day is something that will absolutely destroy any possibility of our having free enterprise provide housing in this area. What the ministry has done, what this government has done in its plan to concentrate development in a band along Lake Ontario has indeed made it possible for private groups to corner the land and then call their own shots as to what they are going to get for what they sell. It's no wonder that people have had to pay so much for housing in Malvern.

Mr. Cassidy: That is private enterprise, Don.

Mr. Deacon: It isn't private enterprise, because private enterprise is where there is competition. We haven't had a surplus of serviced land in this area for 15 or 20 years, and until we do have a surplus—as the minister darn well knows but doesn't do anything about—we will have speculation.

Mr. Cassidy: Oh, I see.

Mr. Germa: Tell us about the land speculators.

Mr. Cassidy: There is no such thing as good capitalism; it just doesn't work.

Mr. Deacon: Yes, there is — and there is responsibility in capitalism — as there is sometimes responsibility in government, if the conditions are set up so that capitalism can operate in a competitive environment, just as government has got to operate in a responsible environment. If it doesn't—

Mr. Cassidy: It is reputed to have happened briefly in England in the 1820s, but it didn't last too long.

Hon. Mr. White: It certainly solved the problem of the socialists.

Mr. Cassidy: Wilson is putting together what the Tories rent asunder.

Mr. Deacon: The minister just has to take a look at the situation at Cedarwood to see what government ownership of land has done there. It looks as if there has been a disaster there, either a war, a flood or something; it just looks like a deserted disaster area. Go down to Nanticoke and look at the area down there.

Whenever we remove people from where they have any ownership or any sense of responsibility, then we get this disaster area aspect. You cannot build satisfying communities for people under those conditions. What we are developing for ourselves in these new so-called cities that we are building are centres of unrest and discontent that we are going to live to regret in the future.

What is the worst part of all this is that in Nanticoke, in Whitby, in Cedarwood, we're using up the very best land we have got and this last project in my own riding, and in the Milliken area, we're using some of the finest agricultural land in this province, land which, even before the days of all these special fertilizers used to grow record acreages of wheat, and now they're just ploughing that under and destroying it to build houses, when we could be providing places for those houses, when we could be getting our housing problem solved in literally scores of hamlets and towns within 60 miles of this area to satisfy the needs in this area.

At the same time we should be out providing what is needed in other parts of this province for development and it isn't by some scheme of priorities that is set up by the people in ivory towers around Queen's Park. It's by providing what the people in those areas say they need.

They need highways that connect cities in the same way that the Ontario government in the old days did see the need for such connections in building Highway 401 from one end of southern Ontario to the other, but what does the other part of Ontario have?

Interjections by hon. members.

Mr. Deacon: What of the other part. Have you ever tried to travel from Kenora down through to Timmins to North Bay? Have you ever seen the problems that these people in that part of—

Mr. Turner: You are getting off the subject.

Mr. Deacon: —Ontario have to get to each other? Have you ever looked at the quality of medical services, education facilities that are made available to them?

What's imposed on them is a pattern designed here in Queen's Park instead of giving those people the opportunity to have the resources, the funds, made available to them unconditionally and so they can decide how they need to spend the money. Look at the Maple Mountain scheme; we've had volumes of reports done on it. What is that going to do for employment in areas such as the tri-city area, where the people already have their investment in their homes, already have the facilities there?

Why aren't we doing things to improve the economics in those communities which basically are job opportunities, transportation access, service? Where are government departments being developed? The Hydro building here in Toronto; why shouldn't it be in Cornwall? Why shouldn't the Environment ministry's management branch be in Sudbury, or some of those northern communities? Why do we have to have all these things centred down here? And this is what this government should be doing instead of talking of its fancy plans of theory for development and of how they're going to do things.

Why don't you get busy doing practical things in a way that practical people in that part of the country can tell you how to do it? You won't get opposition from those people for development in those areas. They're not the ones who are resisting something happening, not if it's going to be under their control. They don't want to have it under the control of those of us sitting here at Queen's Park, trying to impose our ideas on them.

They want to have the resources of funds, of services, made available to them on a scale that they can seize and do an effective job. We've set up these bureaucracies of regional governments in such a way, on such a scale, and of such a size, and so remote, that we just aren't getting responsible action on the part of those governments, because those governments do not have unconditional grants and unconditional funds to work with. They're on a percentage basis. Of the savings that they might make, they know they only get a small percentage of it. In effect, it's an incentive to spend more money.

I would hope that this minister would recognize that the way we can get dispersal of opportunity, and the way we can look after the people's needs for housing—those seven million people the minister's talking about in the next 25 years—is not by building the facilities in here around Metro Toronto or the "golden horseshoe." A country like Venezuela might be able to teach the minister something about that because, when they studied the housing problems of Caracas, they didn't decide to spend the money in dealing with housing in Caracas. They decided to spend the money in providing more opportunities in more remote regions of Venezuela and in that way they solved their housing problems in Caracas, instead of creating more congestion there, they created more opportunity in places where they can have a much higher quality of life at much less expense.

The member for Ottawa Centre made some statement about the average income being less in eastern Ontario. I don't agree with him that this necessarily indicates that the standard of living is lower there, because the standard of living is made up of a lot more things that just a dollar figure. It's in the opportunities available for one to get satisfaction from what one does in life, and that may be something that does involve getting a lower income.

But as long as one can have some choice, and one isn't contained by bad housing conditions, bad services, and isn't frustrated by those conditions, one can get a lot of satisfaction in life from a lot less than maybe one can earn in Metro Toronto. I happen to have a couple of children who have chosen that form of life. I think they have greater satisfaction from far less income than would be required to live in large urban areas.

Mr. Cassidy: We've got to be aware of not patronizing people who are poor.

Mr. Deacon: That's right, but trying to decide for them what they want is being patronizing. What I'm talking about is trying to provide broad opportunities and broad choices which do not necessarily measure up in material returns, but do in other returns to a person in the way of a satisfying life.

And so I say to the minister that I hope in his studies of the economic development of this province he will take a look at some of the other jurisdictions that he may have missed in his travels around the world and realize there are some people who are finding far more effective ways of dealing with population growth and housing needs than we're doing here in this province.

I'm disappointed when I hear the minister take off on a member, such as the member for Thunder Bay, when he says in effect that the sort of down-to-earth representation that we get from members who recognize local needs doesn't really benefit their constituencies. I would venture to say that the member for Thunder Bay is far more honest in his approach to what is needed for development

of his area than is sometimes the case with people sitting on the other side of this House.

Hon. Mr. White: Mr. Chairman, I have enjoyed these remarks—just about the same as the speech given during the Liberal leadership campaign, if I remember correctly from watching the television that day.

Mr. Cassidy: You have a good memory.

Hon. Mr. White: It was, nonetheless, interesting to me.

I want to clarify a couple of things. I pay credit to the member for Thunder Bay as being one of the socialists who's not a cry baby and one of the socialists who doesn't spend all his time down here running down the employers in his riding and the management group in his riding, and so on. I'm not going to take that back insofar as it relates to about half of those northern members. They do more to destroy their own communities than anything else to date.

Now, I've got information from a senior official that we have been advised by the industrial association in Thunder Bay that the latest figures for capital investment in northwestern Ontario show more than $2 billion is to be invested by the private sector in the next four years. Not bad.

I may have led some of the members to believe that the $9.5 million for northwestern Ontario was shared 50-50. In fact, the $9.5 million was our provincial contribution. The provincial contribution in Cornwall is $2.6 million; and of course the feds add their $2.6 million.

It being 6 o'clock, p.m., the House took recess.

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ALPHABETICAL LIST OF MEMBERS OF THE LEGISLATIVE ASSEMBLY OF ONTARIO

(115 members)

Fourth Session of the Twenty-Ninth Parliament

Speaker: Hon. Russell Daniel Rowe **Clerk of the House: Roderick Lewis, Q.C.**

Member	Party	Constituency
Allan, James N.	PC	Haldimand-Norfolk
Apps, C. J. S.	PC	Kingston and the Islands
Auld, Hon. James A. C.	PC	Leeds
Bales, Dalton A.	PC	York Mills
Beckett, Dick	PC	Brantford
Belanger, J. Albert	PC	Prescott and Russell
Bennett, Hon. Claude	PC	Ottawa South
Bernier, Hon. Leo	PC	Kenora
Birch, Hon. Margaret	PC	Scarborough East
Bounsall, Ted	NDP	Windsor West
Braithwaite, Leonard A.	L	Etobicoke
Breithaupt, James R.	L	Kitchener
Brunelle, Hon. Rene	PC	Cochrane North
Bullbrook, James E.	L	Sarnia
Burr, Fred A.	NDP	Sandwich-Riverside
Campbell, Margaret	L	St. George
Carruthers, Alex	PC	Durham
Carton, Gordon R.	PC	Armourdale
Cassidy, Michael	NDP	Ottawa Centre
Clement, Hon. John T.	PC	Niagara Falls
Davis, Hon. William G.	PC	Peel North
Davison, Norm	NDP	Hamilton Centre
Deacon, Donald M.	L	York Centre
Deans, Ian	NDP	Wentworth
Downer, Rev. A. W.	PC	Dufferin-Simcoe
Drea, Frank	PC	Scarborough Centre
Dukszta, Dr. Jan	NDP	Parkdale
Dymond, Dr. Matthew B.	PC	Ontario
Eaton, Robert G.	PC	Middlesex South
Edighoffer, Hugh	L	Perth
Evans, D. Arthur	PC	Simcoe Centre
Ewen, Donald Wm.	PC	Wentworth North
Ferrier, Rev. William	NDP	Cochrane South
Foulds, James F.	NDP	Port Arthur
Gaunt, Murray	L	Huron-Bruce
Germa, Melville C.	NDP	Sudbury
Gilbertson, Bernt	PC	Algoma
Gisborn, Reg.	NDP	Hamilton East
Givens, Philip G.	L	York-Forest Hill
Good, Edward R.	L	Waterloo North
Grossman, Hon. Allan	PC	St. Andrew-St. Patrick

Member	Party	Constituency
Haggerty, Ray	L	Welland South
Hamilton, Maurice	PC	Renfrew North
Handleman, Hon. Sidney B.	PC	Carleton
Havrot, Edward M.	PC	Timiskaming
Henderson, Lorne C.	PC	Lambton
Hodgson, R. Glen	PC	Victoria-Haliburton
Hodgson, William	PC	York North
Irvine, Hon. Donald R.	PC	Grenville-Dundas
Jessiman, James H.	PC	Fort William
Johnston, Robert M.	PC	St. Catharines
Kennedy, R. Douglas	PC	Peel South
Kerr, Hon. George A.	PC	Halton West
Lane, John	PC	Algoma-Manitoulin
Laughren, Floyd	NDP	Nickel Belt
Lawlor, Patrick D.	NDP	Lakeshore
Leluk, Nicholas G.	PC	Humber
Lewis, Stephen	NDP	Scarborough West
MacBeth, Hon. John P.	PC	York West
MacDonald, Donald C.	NDP	York South
Maeck, Lorne	PC	Parry Sound
Martel, Elie W.	NDP	Sudbury East
McIlveen, Dr. Charles E.	PC	Oshawa
McKeough, Hon. W. Darcy	PC	Chatham-Kent
McNeil, Ronald K.	PC	Elgin
McNie, Hon. Jack	PC	Hamilton West
Meen, Hon. Arthur K.	PC	York East
Miller, Hon. Frank S.	PC	Muskoka
Morningstar, Ellis P.	PC	Welland
Morrow, Donald H.	PC	Ottawa West
Newman, Bernard	L	Windsor-Walkerville
Newman, Hon. William	PC	Ontario South
Nixon, George	PC	Dovercourt
Nixon, Robert F.	L	Brant
Nuttall, Dr. W. J.	PC	Frontenac-Addington
Parrott, Dr. Harry C.	PC	Oxford
Paterson, Donald A.	L	Essex South
Potter, M.D., Hon. Richard T.	PC	Quinte
Reid, T. Patrick	L-Lab	Rainy River
Reilly, Leonard M.	PC	Eglinton
Renwick, James A.	NDP	Riverdale
Reuter, Allan E.	PC	Waterloo South
Rhodes, Hon. John R.	PC	Sault Ste. Marie
Riddell, John	L	Huron
Rollins, Clarke T.	PC	Hastings
Root, John	PC	Wellington-Dufferin
Rowe, Hon. Russell D.	PC	Northumberland
Roy, Albert J.	L	Ottawa East
Ruston, Richard F.	L	Essex-Kent
Samis, George	NDP	Stormont
Sargent, Edward	L	Grey-Bruce
Scrivener, Mrs. Margaret	PC	St. David
Shulman, Dr. Morton	NDP	High Park

Member	Party	Constituency
Singer, Vernon M.	L	Downsview
Smith, Gordon E.	PC	Simcoe East
Smith, John R.	PC	Hamilton Mountain
Smith, Richard S.	L	Nipissing
Snow, Hon. James W.	PC	Halton East
Spence, John P.	L	Kent
Stewart, Hon. Wm. A.	PC	Middlesex North
Stokes, Jack E.	NDP	Thunder Bay
Taylor, James A.	PC	Prince Edward-Lennox
Timbrell, Hon. Dennis R.	PC	Don Mills
Turner, John M.	PC	Peterborough
Villeneuve, Osie F.	PC	Glengarry
Walker, Gordon W.	PC	London North
Wardle, Thomas A.	PC	Beaches-Woodbine
Welch, Hon. Robert	PC	Lincoln
Wells, Hon. Thomas L.	PC	Scarborough North
White, Hon. John	PC	London South
Winkler, Hon. Eric A.	PC	Grey South
Wiseman, Douglas J.	PC	Lanark
Worton, Harry	L	Wellington South
Yakabuski, Paul J.	PC	Renfrew South
Yaremko, John	PC	Bellwoods
Young, Fred	NDP	Yorkview

MEMBERS OF THE EXECUTIVE COUNCIL

Hon. William G. Davis	*Premier and President of the Council*
Hon. Robert Welch	*Provincial Secretary for Justice and Attorney General*
Hon. Allan Grossman	*Provincial Secretary for Resources Development*
Hon. William A. Stewart	*Minister of Agriculture and Food*
Hon. James A. C. Auld	*Minister of Colleges and Universities*
Hon. Rene Brunelle	*Minister of Community and Social Services*
Hon. Thomas L. Wells	*Minister of Education*
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No. 99



Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Ninth Legislature

Tuesday, October 22, 1974

Evening Session

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

THE QUEEN'S PRINTER
PARLIAMENT BUILDINGS, TORONTO
1974



Price per session, $10.00. Address, Clerk of the House, Parliament Bldgs., Toronto

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, OCTOBER 22, 1974

The House resumed at 8 o'clock, p.m.

ESTIMATES, MINISTRY OF TREASURY, ECONOMICS AND INTERGOVERNMENTAL AFFAIRS
(continued)

On vote 1001:

Mr. Chairman: The first speaker I have on item 1 is the hon. member for Ottawa Centre (Mr. Cassidy). The next speaker is the hon. member for Cochrane South (Mr. Ferrier). Is it agreed that item 1 carry? The hon. member for Lakeshore.

Mr. P. D. Lawlor (Lakeshore): Simply in prolongation of the issue in order to abide more portentous voices, perhaps, in the House, I would like to bring two things to the attention of the minister. Number one is his position on debt financing. Now in this intimate little chamber, where only two or three of us are clandestine gathered together, they say when that happens the spirit lights on us and enlightens all our minds.

Years ago, I gave the Treasurer a little book by Heilbroner. Now Heilbroner is not a socialist, he is perhaps one of the better brains in economics in the United States. He continues to write; and on the theory that concerns your department, the theory of governmental financing; and he poohpoohed and, I thought laid to rest, in a very salient way the whole theory of debt financing and the threat.

Now I think you Tories are moving toward what my colleague talked about at the question period today, namely balanced budget financing. It's a hoary chestnut, isn't it? It's always a Republican, and I hope not a Conservative; because you seem to be advanced in social thinking over against that particular type of predilection, over against the Republican Party of the United States.

I just simply put it to you, having given you that particular text long before you became the minister—and such a sultanate as you are, portentous, something out of Babylon; all the minarets, in the dead middle of the night sort of thing, here you are sitting there, now the minister, formerly a mere lecturer of economics.

Mr. Chairman: Item 1.

Mr. Lawlor: Well, I thought I would like to build it to a crescendo, where the thing would have crepusculating effects.

In any event, the theory there was that debt financing was probably necessary to the maintenance of an economy in the democratic system and within capitalistic concepts themselves as a way of picking up the failure in the private sector to do enough purchasing; and for the consumer sector to do enough purchasing, it was always the government that acted as the fulcrum that would pick up that difference.

Now if it picked up too much, there would be a very tricky position that would be inflationary, that would send the economy into something of a tailspin. But if it didn't pick up enough you would go the other way. And you've got the neat little task of balancing in there somewhere as to the potential expenditure over against the productivity of this province; to estimate that, and to pick up the difference in order to maintain full productivity. That way, your tax revenues will more than make up for any expenditure the other way, on the debt financing field.

I think you are aware of all these things, and yet this niggling intransigence, this tendency towards taking the equilibrium position mindlessly is in the bloodstream at the present time, and I for one want to say a word against it.

Ipso facto, there is nothing against debt financing and there is nothing of a medallion to be pinned on your chest by the mere fact that you reduce it. The problem is, are you balancing the economy in such a way as to maintain full production and to keep the economy afloat? Debt financing may require that. The circumstances have, for the last five years, been that way. It could swing the other way and would go into a taxation freeze-up; where you would have the guts, I trust, to tax, to surtax and otherwise, innumerable individuals making over certain

sums of money to take away additional purchasing power, which also is inflationary. In balancing these two objectives you've got a tricky task, which of course in all its integrity requires all kinds of fortitude and skill from an economist in this particular area. One watches you, stands back from a great height and says: "I wonder if the poor devil will measure up? He's made so many blunders in the past that one more would probably put this province pretty well on the skids."

So numerous responsibilities rest on your shoulders. To make those nostrum statements, those shibboleths that emanate out of Tory mouths so easily, particularly in economic matters, is neither here nor there.

We haven't talked to you about regional government and about regional problems, and I am particularly concerned about the Niagara Escarpment. It comes to my ears by circumvallating forces whirling around in some kind of void that you are under enormous pressure at this particular time fom all kinds of sources—from developers, from those who have industrial interests in that region, particularly from the resources people along the escarpment—to terminate your policy, make inroads on it and possibly even to abandon it.

Mr. Chairman: I must remind the member for Lakeshore that that's matter for vote 1006.

Mr. Lawlor: Well, I sat here all afternoon and listened to every other subject under the sun. I felt maybe a little ambit might be—what do you propose?

Mr. Chairman: There is an opportunity under vote 1006 to cover all this ground.

Mr. Lawlor: But Mr. Chairman, you must recognize that I may not be here at that time.

Mr. Chairman: It is in item 4 of vote 1006.

Mr. Lawlor: In favour of your baptism of fire, and since you are so virginal in the chair, I won't press the matter.

Mr. M. Cassidy (Ottawa Centre): Oh no. It is a general matter that can be raised now, Mr. Chairman, I am sure.

Mr. Chairman: Are you sure?

Mr. Lawlor: Well, I am willing to abide by that particular approach.

Mr. Cassidy: Of course it is.

Hon. J. White (Treasurer, Minister of Intergovernmental Affairs): Well let's deal with these matters separately, they being so different in nature. I am in full agreement with the theory you've expressed. But there must be a couple of conditions attached. In 1964 there was a series of seminars at Western which were attended by the very best economists in North America, including Paul Samuelson, Harry Johnson and others.

Mr. Cassidy: You really glory in those days, don't you?

Hon. Mr. White: The graduate students at that time had the opportunity of talking to these people by appointment during their three-day visit. I saw every one of these great economists and I put the question to them. "In what way is a provincial government different from a household?"

Each said: "In no way". So Heilbroner's remark and your own proposition really do relate to the government of a nation-state with a central bank which can use its own debt-creating capacity.

I think we have a supplementary role. We should attune ourselves to federal fiscal policy, we having no monetary policy. This we have tried to do. I have sought the advice of the federal Minister of Finance in so far as general direction is concerned, and we have tried to buttress federal endeavours.

Quite frankly, we are overtaxing right now, because we are in the inflationary part of the cycle. That's the reason we are taking in more money than we are paying out. I think it's entirely appropriate.

I hope the people here, long after I'm gone, don't continue to deceive themselves about the nature of these accrued liabilities. And I hope they realize the essence, which I pointed to this afternoon, well expressed in recent weeks in the Wall Street Journal.

What you've got to look at economically is cash in and cash out. We are taking in more cash than we are putting out, just as some months or years from now when the economy is underemployed we must take in less cash than we put out.

Now this is the tragedy of the ignorance of the Leader of the Opposition.

Mr. R. F. Nixon (Leader of the Opposition): You mean it is really not an $848 million deficit? That in fact you are making money? You think you are making money?

Hon. Mr. White: Not right now, because of course all of his biases and all of his mis-

takes buttress our present position, funnily enough.

Mr. R. F. Nixon: You keep reading the Wall Street Journal.

Mr. J. E. Stokes (Thunder Bay): And Fortune magazine.

Hon. Mr. White: But they will be a very grave mistake if they are extended into the next downturn in the economy.

Mr. Lawlor: Mr. Chairman, provided you remain under the present inflationary pressures before deflationary trends really set in deeply—which they are going to do, and I'm quite sure of that—if you increase that surplus and don't go for the balanced concept, then I'm all in your favour; and I think it should be increased in this particular regard.

Mr. R. F. Nixon: I would quite like to get into this discussion.

Hon. Mr. White: No, just a minute. We're having an interesting exchange. You can bring in your irrelevancies later.

I do believe when we look into 1975-1976—

Mr. R. F. Nixon: He is your boy; you can live with him.

Hon. Mr. White: —and anticipate a real growth of three per cent instead of four per cent plus, and an unemployment rate of 4.5 per cent instead of four per cent minus, that we shouldn't attempt to take in more money than we put out.

My thought is that at the moment we should attempt to balance cash in and cash out, although it may be that two or three months from now it will be necessary to take in less cash than we put out. It may be that the account is going to need that kind of supplementary impetus from the provincial level of government.

I did a very simple calculation—as a matter of fact it's almost foolishness—but I'm going to say that I compute that we here in Ontario have about eight per cent of the total public economic power in Canada.

Mr. Lawlor: How much again?

Mr. R. F. Nixon: Eight per cent.

Hon. Mr. White: I think we have about eight per cent. Let me take a moment, as a matter of curiosity. Let's assume that fiscal and monetary powers are equally effective.

Mr. Lawlor: Monetary power is not very effective.

Hon. Mr. White: You run through your arithmetic. I say it's almost foolishness.

Mr. Lawlor: All right, I will accept that for the moment.

Hon. Mr. White: Let's assume that the federal government has half of the fiscal power, while having all of the monetary power. That leaves the provinces with about 25 per cent of the total fiscal power, of which Ontario has one-third. So we have about eight per cent of the clout, I do believe. Nonetheless—

Mr. Lawlor: That's too quantitative.

Hon. Mr. White: Well, you use your numbers.

Mr. Lawlor: You've got a lot more percentage than that.

Hon. Mr. White: Amuse yourself.

Mr. Stokes: You're right. In the initial instance it was a bit foolish.

Hon. Mr. White: We have to utilize our fiscal power, whether it be five, 10 or 15 per cent, to supplement the federal government's endeavours to maintain full employment of our resources; and this we have endeavoured to do. In the last couple of years, in the inflationary period, we were wise, I do believe, to take in more money than we spent. And I think probably in the next couple of years we should be spending more money than we take in.

Mr. Lawlor: Let me drop a caveat just for one moment, and we will be finished with this thing. I am disappointed in your provincialism, in your small-mindedness in this regard of the provincial economy. You didn't consult Hellyer. We could go on with this game for a while, but I'm saying to you that—

Mr. R. F. Nixon: Drop a name.

Mr. Lawlor: —to take the position that a provincial economy of the magnitude and impact of this one leaving the qualitative terms in, of the impact of this economy—you often plume yourselves upon the almost determinate effect on the history of this country you will have and the direction we're going to go economically in any number of other portfolios.

Mr. Cassidy: That's a different speech.

Mr. Lawlor: Why are you such a shrinking pigeon on this particular one? It really bemuses me; but leave it aside. You are not in the position of a domestic household econ-

omy. If you think that particular way, then you're thinking too narrowly.

Mr. R. F. Nixon: The two pigeons are on the same roost.

Mr. Lawlor: The impact of your economic policy vis-à-vis—sure you try to work in with fiscal policies of the federal government; and then you just as often try to work against them. They scream at you year after year on this particular thing.

Sometimes you're right by the way, curiously enough, over against the nebuluginide concepts up there. Sometimes those things balance out and sometimes you give the economy of this country an impetus rather than a slip.

But to pretend that you're in the position of a little housewife meting out her dollars in dracmas and measuring them very carefully is just damn nonsense.

As the minister of finance for this province, may God please, you admit that deficit financing is not an evil in itself, that it has a plenary and beneficial power to maintain an economy in motion. This is well accepted. It's Keynes. It's been around a long time. I thought you were abrogating that, but you reaffirmed it again tonight. Thinking in those terms is fine. You are thinking in really financial, fiscal, monetary policy. But to revert to the kitchen sink, that's beyond me and below you.

Hon. Mr. White: Mr. Chairman, I promised myself some years ago I would never argue economics with a lawyer, and I made a mistake tonight in breaking my own promise to myself. You are completely misinterpreting my remarks. What I am saying is that a province is not a nation and hasn't got a central bank. So what is borrowed, some time must be repaid; unlike a national government which repays its debts on occasion by printing money.

Mr. Lawlor: The only thing you can't do is print money.

Hon. Mr. White: I'm not comparing the $8.5 billion budget of this province with my wife's budget of about $50 a week.

Mr. Lawlor: There you are again.

Mr. Stokes: Scrooge.

Mr. Cassidy: Gee. Better tell her about women's rights.

Hon. Mr. White: That is not the point. I have acknowledged that I accept the contracyclical budgeting theories set forth by Heilbroner and I suppose most everybody else; and we ourselves are determined to play a role. We have taken in more money than we've spent in the last couple of years for very deliberate reasons; that's no accident. We are going to have to put out more money than we spent in the next period of time as the cycle comes down into a recessionary phase.

Mr. Lawlor: As your estimates show.

Mr. Chairman: The member for Brant.

Mr. R. F. Nixon: It is interesting, Mr. Chairman, to hear these two members, the former colleagues on the White committee who shared many a bottle of Liebfraumilch while they were discussing these monetary factors; monetary federally and fiscal provincially. It really is amazing how they end up as pigeons on the same roost.

Interjection by an hon. member.

Mr. R. F. Nixon: Yes, that's true. Both of them calling upon their erudition in economics, as well as the law, to approve of the other's point of view. I'm not sure which is a double agent, which is the socialist. The Treasurer, while he regrets arguing economics with a lawyer, is going to have to listen to a few irrelevancies from a farmer.

Mr. Lawlor: Well that is really putting it out.

Mr. R. F. Nixon: All right, you can listen or leave. Usually you are gone. What are you doing here tonight? This is the first time I've seen you today.

Mr. Lawlor: I always listen. I find you the most entertaining member of the House.

Hon. Mr. White: The fight's over here.

Mr. R. F. Nixon: Oh no it isn't. You are not even going to run again. You are not even in the battle.

Mr. Chairman, the hon. member has tried to leave some sort of an intra matter on the political system; and unfortunately he hasn't even come up to the mark left by the hon. Darcy McKeough. He may keep trying and he might leave his mark. But all the palaver that he has been giving us tonight, about yes we've been taking in more dollars than we've been spending, simply has resulted in the bottom line of his budget being changed in his recent statements, indicating we are going to have to find $848 million extra this year to maintain the level of expendi-

ture which he has recommended to his colleagues and which has been approved.

Hon. Mr. White: You are wrong again.

Mr. R. F. Nixon: Wrong? Maybe.

Simply, it is your statement that $848 million is going to have to be met. The thing that worries me is that we move forward on a most frightening progression.

A few years ago, the Treasurer's predecessor—about three before, I guess Charlie MacNaughton was the man—stood in his place, white-lipped and trembling, and predicted a fiscal nightmare.

Perhaps we are in it now; but in those days Mr. MacNaughton was concerned about the costs of education. Tories in the backbench were saying: "Where will it all end?" It seems to be a phrase that Conservatives and some unreconstructed socialists use from time to time. "Where will it all end?" It's sort of a talisman of the people who don't believe in the system and are throwing up their hands and expecting John White to save them; something like that.

Mr. Lawlor: Has that thought never entered your mind?

Mr. R. F. Nixon: Remember when the costs of education exceeded $1 billion? It was almost like the four-minute mile. We felt that nothing could cost more than $1 billion. But now education is well in excess of $2 billion; and the cost of health service is well in excess of $2 billion. That is the new bête noire, a phrase that probably the farmers are just now starting to use.

Mr. Lawlor: Never use.

Mr. R. F. Nixon: The costs of health services are on the lips of the Minister of Health (Mr. Miller) frequently. He is now in Nassau evidently and can't be here to join in this debate. But when he comes back from Nassau he will continue with his process of sensitizing the community to some sort of a programme on behalf of the government to chop off the doctors, chop off the hospitals, centralize the control of the provision of health services.

But it was the speech of the Treasurer two or three weeks ago that shook me, Mr. Chairman, and it should shake you too.

I hesitate to put words in his mouth, and I am quite sure he is prepared to say that he was either misreported or misunderstood by the farmer from Brant county when he said that our real problem—the third level or the tertiary level, as you might call it—is going to be the cost of providing municipal government. If that is going to escalate in any kind of a parallel with the problems we have faced over the last decade, first with education, then with the provision of hospital and medical services, if that's the crisis we are in now—and it is one that is in part of the Treasurer's own making, having to do with the cost of local government—then heaven help us indeed.

I suppose, from a simplified point of view, the Keynesian theory of cyclical financing makes a lot of sense. It seems to me in these times—the hon. member for High Park (Mr. Shulman) says no, and I was about to agree with him; maybe we can reach some common ground before he leaves the Legislature—but in these times when it is not unemployment that is our concern, but it is inflation that has us by the throat, the government of this province, which the Treasurer says has an eight per cent handle on, let us say, the fiscal levers of this nation—

Hon. Mr. White: I didn't say that either.

Mr. R. F. Nixon: All right. I forget the phrase the Treasurer used, but it referred to the fiscal attributes of our economy.

Under those circumstances, if our deficit position is as the Treasurer describes it, then we have a lot to be worried about. It could very well be that when we return to this House in 1975 or 1976 we'll be back to those problems of unemployment which we find even more devastating than those which face us now. That is the time when you should get support from the member for Lakeshore, if he is here. Certainly you will get support from me and my colleagues when you are prepared to use the credit of the province and the eight per cent fiscal involvement in the nation to see that there are jobs and that the economy does not stagnate. But we are not facing that stagnation now.

We have inflation, and it has us by the throat. And I believe that your policies are aggravating that situation and not moderating it. That is really what you are going to be remembered by when you pass off into your junior directorships of Holiday Inns and things like that a year from now. But maybe we could persuade you to stay on in the House and take some position from the seats in the opposition with regard to other policies.

Mr. Chairman, this Treasurer, with the mistakes that have been made and certainly the unhealthy concept of provincial finance which he brings forward, is aggravating the

situation we face now. I don't often find myself in agreement with the member for High Park; I really don't—

Mr. M. Shulman (High Park): Aw, I feel badly.

Mr. R. F. Nixon: —but I will tell you this, that these are the times when we ought to be experiencing surplus financing and we ought to be preparing for those problems which will face us next year and the year after when we may still have inflation. But the problem we will have to cope with will be unemployment, and I am sure that is a prediction that the Treasurer would share.

Hon. Mr. White: The Leader of the Opposition is either obtuse or dishonest.

An hon. member: He's both.

Mr. J. M. Turner (Peterborough): He just doesn't understand.

Hon. Mr. White: If one turns to table C1, one will see that the net cash requirements of this province were forecast to be $708 million, and we had in-pouring cash from captive pension plans of $1,044 million. So we took in $336 million more than we put out.

Mr. R. F. Nixon: That is intellectually dishonest.

Hon. Mr. White: That is not intellectually dishonest.

Mr. R. F. Nixon: To use a phrase I heard this afternoon, it is misleading.

Hon. Mr. White: I went through a succession of explanations relating to the characteristics of this particular budget and the way it is set forth—

Mr. R. F. Nixon: I listened to your budget speech.

Hon. Mr. White: —attempting to explain to those like yourself who are not knowledgeable about such matters—

Mr. R. F. Nixon: Yes, you were retiring debts.

Hon. Mr. White: —how cashing asset acquisitions while accruing certain selected liabilities gave a distorted view of this province's financial activities. I think there is no point in my doing it again.

Mr. R. F. Nixon: Yes, you've got to look at the bottom line.

Hon. Mr. White: Yes. When one looks at the bottom line one sees that we're taking in more money than we're putting out. And this is the reason, Mr. Chairman—

Mr. Shulman: John, you never read this book.

Hon. Mr. White: —we have been able to reduce our outstanding bonds by $594 million in the last 18 or 20 months.

Mr. R. F. Nixon: They were coming due, were they not? Did you not have to pay those off?

Hon. Mr. White: No, we did not.

Mr. R. F. Nixon: Certainly you did!

Hon. Mr. White: No, we did not. You're wrong again. We bought them through the market. The lesson I'm trying to teach in the dying days of my illustrious political career—

Mr. Shulman: Thank God for the province.

Hon. Mr. White: —is that when we get into higher unemployment sometime later, we simply will have to recognize—

Mr. R. F. Nixon: You may be among the unemployed; you bettter be careful.

Hon. Mr. White: —the adverse effects which we would have if we tried to follow the unreasonable, unknowledgable, destructive policies being mouthed by the Leader of the Opposition.

Now sir, it was said by one of these critics that I made many mistakes. In the words of the National League's most famous baseball umpire, I've never made a mistake in my life.

Mr. Shulman: That will be your epitaph.

Hon. Mr. White: I may err, but I'm never wrong!

Mr. Cassidy: I want to engage with the minister for a few minutes about this, because I think that he's too taken by the book that he wrote back in 1963 or 1964 when he had his MA but not yet his PhD.

Mr. R. F. Nixon: He got that by order in council.

Mr. Cassidy: Maybe he'll get it by order in council or from the governing council of Western University.

What the minister says, if I can try and put the quotes on the record, is: one, that a province is not a nation and therefore does

not have the central bank facilities of a nation; and second, that provincial finance is just like household accounting. I believe I quote him correctly.

In other words, if in my household we were to take in $8,000 a year and spend $8,700 a year, that would be comparable to the Province of Ontario, multiplying by a few thousands here or there. And somehow, the minister says, my household should be able to do that on a permanent basis; which is something that I have not yet found the secret of doing, much to the dismay of my banker.

Then the minister says that over the last couple of years the province has been taking in more than we spend, but that over the next couple of years, as we run the risk of economic recession we may need to put out more than we take in. I think the minister will agree that these are fairly accurate summaries of his position.

It's a piece of legerdemain, Mr. Chairman, and another of the minister's bold strokes.

Hon. Mr. White: How did we get the triple A then?

Mr. Cassidy: You get to the triple A because of the fact that over the last couple of years you have been able, thanks to pension funds, to pay off some of your publicly-floated debt. And you have privately floated debts with the best banker in the country, which is the Canadian people, through the Canada Pension Plan and Ontario teachers and municipal employees through their retirement funds.

What the minister is doing, though, is saying that the so-called deficits of 1971 and 1972, which ran around $750 million a throw, and of 1973, which ran around $721 million, were not deficits at all. He arrived at that position by taking the money that people put into the Canada Pension Plan, the teachers' superannuation fund and OMERS and treating that as current revenues, as quasi tax revenues from people who contribute to those three pension funds and the other smaller funds that provide these non-taxed revenues to the government.

The sums are substantial. They amounted to $958 million in 1973-1974, and are estimated at just over $1 billion in incomings in the current fiscal year.

What the minister appears to be saying is that that $1 billion is not an investment by the teachers, municipal employees and citizens who put money into those various pension funds, but that it is in fact a form of quasi tax revenue and should be treated as such. He perverts, to my view, the way in which those moneys are contributed.

If you go out on the street and ask the fellow who has just paid $2.50 or $3 last week for his CPP contribution, or the teacher who has seven or six per cent of his monthly salary deducted for the teachers' superannuation, whether that was a kind of taxation, their answer will be: "No, that is my investment in my pension and that will grow over time in order to give me and my family security when I retire."

That is seen as a form of savings by the people who put the money into these various pension funds and they expect it to grow. If it is a kind of savings pool from which the minister is drawing, then he is wrong to treat it as a kind of income. If he treats the savings of people in pension funds, whether they save compulsorily or voluntarily as a kind of income, then there is no difference in saying—

Mr. Chairman: Order please. Would you allow the hon. minister to speak?

Mr. Cassidy: Go ahead.

Hon. Mr. White: What I am saying is that if you are going to cash off your assets, you should cash off your liabilities; and I offered arguments in favour of that. In point of fact, the thesis I argue in my book is that you should accrue both sides. If one accrues our investments in capital works this year, we have a profit of more than $500 million.

Mr. Cassidy: That's nonsense, Mr. Chairman.

Mr. R. F. Nixon: He's wasting our time.

Mr. Cassidy: The minister has been through this long enough. As a teacher he knows that customarily in economics, or at least as it was taught when I was in university, many government investments are not seen to be directly productive in the way, say, that an investment in a new steel mill or a new retail store or something like that would seem to be productive.

Hon. Mr. White: Oh, oh; be careful.

Mr. Cassidy: It's very difficult to quantify the economic return on, say, an extension of Highway 417 or the new Queensway Carleton Hospital or some other provincial investment. In fact, as far as the university—

Hon. Mr. White: A mile on the 401 pays for itself in six months.

Mr. Cassidy: Mmm?

Hon. Mr. White: A mile on the 401 pays for itself in revenue in six months.

Mr. Cassidy: It may pay for itself in six months in terms of economic return when those returns are made in the private sector, but it does not pay for itself in direct return to the public purse over a period of six months.

Interjections by hon. members.

Mr. Cassidy: Mr. Chairman, what the minister is actually trying to do is this: He is augmenting his revenues by taking in these pension plan contributions. Then he is telling us that over the current fiscal year, for example, we don't have a deficit; in fact we have a surplus of—I don't know what it is—$400 million. I would suggest to the minister—

Mr. R. F. Nixon: Sounds like WAC Bennett, doesn't he?

Mr. Cassidy: If he wants to account in this fashion, then what he should do is follow the British practice and have an accounting above the line and an accounting below the line.

The above-the-line accounting would look at the government current expenditures and would look at government current revenues and you would not find a $500 million surplus there. The current figures here indicate a deficit of about—$625 million is the figure estimated for 1974-1975.

Then below the line you would look at government capital expenditures and at government non-current revenues and those would mainly be in the form of borrowing, pension funds, and that sort of thing.

Mr. R. F. Nixon: That's the way it was done until four years ago.

Mr. Cassidy: If you want want to do that, then I would at least have some sympathy for the minister. But what the minister is trying to do right now is to prepare the intellectual ground among the press gallery and among the officials, among those professors and other people who occasionally watch this place for a deficit such as this province has never seen before, in 1975 when the Conservative government under John White's final budget tries to buy another four years in power. What the minister is saying is: We aren't starting from a deficit position of $1,044 million, or $700 million or $800 million, we are starting from a surplus position and we will move into a deficit position.

By all of the current standards of accounting, the minister is beginning from a $700 or $800 million deficit, and he is therefore intending to lead us to a deficit of $1.25 billion to $1.5 billion—I don't really know what it is he intends—while dissembling to the Leader of the Opposition and those and other people across the province that it ain't really so at all.

Hon. Mr. White: You had better talk to your friend Lawlor about that.

Mr. Cassidy: I have, and we are in total agreement on this one. I call on the minister to come clean on these figures and not try and change horses in mid-stream. That is what he is trying to do, because he and his colleagues are desperately frightened by the size of the deficit right now and by the way in which the province is going.

You cannot say that pension contributions are like taxable income. If you do you are putting everybody in this province on a form of welfare when they start to draw pension benefits when they turn 60 and 65.

Hon. Mr. White: My dear friend, I argue in my book that we should accrue both sides. If we do accrue both sides this year we have a surplus, not of $336 million, but of more than $500 million.

I want to go back to a theme which the Leader of the Opposition is attempting to develop with your support. It has to do with the financial capability of this province.

This great rich province can afford anything its citizens want except profligacy. We can't be stupid, but if we use our heads we can provide a very high level of public service.

In John Robarts' last year as Premier the province consumed 11.4 per cent of the gross provincial product. Last year we consumed 10.9 per cent. This year, because of a sudden surge in expenditures, we will expend 11.3 per cent of the gross provincial product, still about 0.1 per cent less than was expended in John Robarts' last year.

I remember Mr. MacNaughton's remarks. I didn't quarrel with them particularly. It is the function of the Treasurer to say: "Hey, slow down." He pulls on the coattails of the Premier and every minister. He attempts to inform the opposition, none too successfully, I am quick to say.

Mr. R. F. Nixon: He made a lot more sense than you are making.

Hon. Mr. White: So I don't blame Charlie MacNaughton for holding up that red flag of caution to everybody. I hark back now to 1960.

Mr. R. F. Nixon: He got his Premier to have a surplus in 1970, which is something you will never do.

Hon. Mr. White: My friendly minister, Al Grossman, will remember when Mr. Ross Whicher stood in this House and extrapolated certain figures for the year 1970 and proved we were going to be broke. But we weren't broke in 1970 and we weren't broke in 1974; and that is why the Wall Street Journal, two weeks ago today, was able to quote Moody's as saying that the triple A rating was based on Ontario's sound financial condition. Those aren't my words.

Mr. Cassidy: Music to your ears.

Mr. R. F. Nixon: Thank God there is somebody who thinks—

Hon. Mr. White: "Well-managed debt;" the Wall Street Journal said that.

Mr. M. Gaunt (Huron-Bruce): Borrowed to pay the debts.

Hon. Mr. White: I am not finished yet, don't worry.

Mr. R. D. Kennedy (Peel South): Current accounts well-managed too.

Mr. Cassidy: Let those words be etched on the record. We can afford anything we want in Ontario except for Tory profligacy.

Mr. Kennedy: That is not what he said.

Hon. Mr. White: I had another point, but these unhappy interjections have dismissed it from my mind.

Mr. R. F. Nixon: Perhaps I would recall them to your mind if I followed up on one comment the Treasurer made. It's regarding the five star credit rating. I was looking at the ad in the Globe and Mail about a week ago. I noticed it also in one of the Montreal papers—it didn't appear in the Brantford Expositor. It said you were borrowing $175 million in New York at 10¼ per cent, but that this ad was for public interest only and that all the money had been covered in the New York market.

Why wouldn't it be possible for you to attempt to lend some of that money directly rather than through borrowing from the government of Canada? That is the premiums in the Canada Pension Plan at 10¼ per cent, through some procedure utilizing the facilities of the savings office or something like that, so that the people of this province could participate more directly in this kind of a lending programme.

Ah yes, smiling; irrelevant, isn't it? Uninformed, isn't it? But it is my credit and that of the other eight million people in this province that you are so proud of when you go to New York and read what Moody and the New York Times say about you.

Mr. Turner: The Wall Street Journal.

Mr. R. F. Nixon: Or the Wall Street Journal.

But why wouldn't it occur to you that the people in this province might like to participate in being those creditors to whom you are going to owe an additional $848 million this year, according to the statement that you made?

Hon. Mr. White: No, I am sorry, we are not borrowing on our account. We are reducing our debt in this province on our account by $594 million as from the last 18 or 20 months.

Mr. Shulman: That just isn't true and you know that isn't true.

Hon. Mr. White: The Ontario Hydro with our guarantee did borrow $400 million in Canada this year; and so if my hon. friend had wanted to invest in this province he had ample opportunity to do so.

Mr. R. F. Nixon: At 10¼ per cent?

Hon. Mr. White: Hydro went to market on Monday, $60 million for 25 years, a coupon rate of 10 per cent, a price of $98.50 to yield 10.17 per cent; $40 million for seven years, coupon at 9 3/8 per cent—

Mr. R. F. Nixon: You can get that from the Bank of Montreal.

Hon. Mr. White: —priced at $99.62 to yield 9.45 per cent.

Mr. H. Worton (Wellington South): You can get that from your own local bank, my friend.

Hon. Mr. White: My hon. friend is quite incorrect in saying we are not giving Ontario citizens an opportunity to buy Ontario obligations. We are. It's only when this market becomes full we turn to New York.

Next year Hydro is going to need $1.2 billion. If my hon. friend cares to invest

$2,000, $3,000, or $5,000 he would be very welcome.

Mr. R. F. Nixon: I don't want to ask about a few thousand. I just want to ask specifically about the $175 million that was borrowed in New York about two weeks ago at 10¼ per cent. That wasn't an Ontario Hydro one. It wasn't advertised that way. It was Province of Ontario. I believe that you have to borrow that way even if it is for Ontario Hydro purposes. But why would that not have been made available here at the same time? That's certainly a better interest rate than you're talking about.

Hon. Mr. White: Ontario Hydro borrows in Canada in its own name with our guarantee. Ontario Hydro borrows in New York in our name. The reason for that is if we go to market in New York in the name of the Province of Ontario, because of our high credit rating, because of "sound financial condition and well managed debt"—

Mr. R. F. Nixon: I've heard that. We know all that. Nobody is predicting bankruptcy.

Hon. Mr. White: —we could get a much lower rate than if Hydro goes directly. First of all because the Ontario Hydro is not as well known as the Province of Ontario; and secondly because utilities are in the doghouse, so to speak, in the United States right now.

Mr. R. F. Nixon: And the Conservative government is sort of helping.

Mr. Shulman: Mr. Chairman.

Mr. Chairman: The member for High Park.

Mr. Shulman: I rise with some diffidence to speak to the Treasurer. I'm not sure whether he's putting us on or whether he doesn't understand himself. Of one thing I am convinced, that the name of John White will go down in history when all of the rest of us are long forgotten. I originally thought his name would go down because of his spectacular errors in bills, the energy tax and the speculative land tax.

Hon. Mr. White: No, because of the triple A rating.

Mr. Shulman: The triple A rating will come back to haunt you, my friend, because all the triple A rating means is that you're going to pay off. And of course you are going to pay off, nobody questions that. The Tories have always been known for paying off.

Mr. R. F. Nixon: They will pay off.

Mr. Shulman: I really think that the reason you are going to go down in history is that you are one of the two men, or perhaps three men in this country, who are going to be responsible for the rip-roaring inflation that is going to ravage this city and this province and this country after we're all out of here and perhaps before we're out of here, because we're well on our way.

You have the nerve, the colossal nerve, to rise in this House and say things which you know are not true. That's what bothers me, because I know you have the intellectual ability to handle that.

Hon. Mr. White: Mr. Chairman, please accept my assurance that every word that I have said, in my belief, is completely true.

Mr. Shulman: Okay, I accept that without question, but that frightens the hell out of me, because if he doesn't know what is going on, if a Treasurer can get up in this House and say — and I wrote it down — "In the last two years we have taken in more than we put out," and if he doesn't believe it, all right, I can accept that as a political necessity, as he's got to con the opposition, he has to con the press, and he has to con the public. But if he gets up and says it, and believes it, then we're really in serious trouble.

I just borrowed a copy of the financial report for 1974 and the simplest child in grade 1 can understand when it says that total revenue is $6.9 billion and total expenditures are $7.3 billion" that there is something wrong.

The minister says, "Just ignore that; we actually took in more than we paid out." He turns over another page and he got up and told the Leader of the Opposition — who didn't challenge him; I'm surprised — that we paid off some $250 million worth of loans in this past year. And the leader said: "We had to pay them off; they came due." But what the Treasurer didn't happen to mention is that, sure he paid off $250 million; but he also borrowed $946 million. What are you doing? Just let's stop and think what you're doing. You can play games of figures in here and you can con the people in the press gallery. They're not too bright on economics—there's no question about that—in fact the gallery emptied.

Hon. Mr. White: They are a lot brighter than the Sun columnists.

Mr. Shulman: That may be. If they can read, they'll know what's going on. Interest-

ingly, the press gallery emptied when this subject came up, because nobody really understands it. When the Treasurer of the province gets up and says, "We're in a surplus position; we're taking in more than we're putting out"—and he believes it—shouldn't the press believe it? But it isn't true.

Even though you may have conned a lot of people, you weren't quite able to convince the auditors—the people who have to make these books up and go to New York for your triple A rating. So what happened! Last year you managed to put out some $300 million more than you took in. This year it's up to $400 million. The interest you're paying on your loans is growing astronomically. It is in the hundreds of millions of dollars; and I forecast by the end of next year it will be at the rate of $1 billion a year.

And you get up and you say, "Well, it isn't really serious because we only represent eight per cent of the handle. And what's more important, we're not a federal government, so what we borrow we ultimately have to repay."

Well, surely you must realize the fallacy here. Of course you repay it. You're going to repay it with devalued dollars when those loans come due. But in the meantime, you're pumping all that extra money into circulation here in this province. There is the $175 million you borrowed last week in New York; and the $100 million you're talking about now that you're so proud of at 10-and-a-fraction per cent.

Don't you realize what you're doing? You're forcing up the price of milk and cars and hard goods and clothing and everything else, because you're putting more and more money in circulation. And then you've got the nerve to get up and talk of Trudeau. You're the villain. You're the man who is ruining the economy.

Now, I can understand an honest politician. He says: "My God, we've got an election coming up. We've got to do things. We've got to get things to the people, or else they're not going to vote for us. So all right, we bring in new plans. We're going to increase pensions. We're going to increase aid to the homeowners. We're going to increase welfare. We're going to increase aid to municipalities."

All right, you want to buy them—buy them! But buy them honestly. But don't buy them and then say, "We're not really doing it, we're paying off our debts"—when you're doing exactly the opposite.

You are the one man in this House who should be doing what MacNaughton was doing when he was here. As you said it, you should be putting on the brakes and saying "Stop these expenditures!"

Instead, we find you getting up here and saying, "We're not really spending it at all. It's just a mirage. Just ignore what's written in here. It doesn't mean what it says; we're taking in more than we're putting out."

You know that isn't true. I hope you know it isn't true. Because if you really do believe what you've said today, then I fear for all of us in the coming 12 months; because we are going for the biggest deficit this province has every seen. We are going for 25 per cent. inflation in 1976. And when the history books are written—and they will be written in 1977 and 1978 and 1979—they'll say this Treasurer did it.

I sincerely and truly and honestly believe this province can still be saved fiscally. But not if you won't even admit the problem; if you don't admit we're spending more than we're taking in; that we're producing inflation. If you say, "It isn't really happening; inflation isn't here; we're bringing it under control"—how the hell are we ever going to come to terms with it?

Now, for goodness' sake, come to terms with the problem. The problem is that we have inflation in this country—inflation which is ruining the poor. It's about to destroy the middle class; and before it's through there is not going to be a person in this province who isn't going to suffer from the effects of inflation. There are only two men in this whole country who can do anything about it—and you're one of them. Now the only way you can do anything about it is to cut back on our expenditures or increase our taxes.

The Premier (Mr. Davis) put it half truthfully today during question period. I said, "Why don't you suggest to the Treasurer that we balance the budget?" He said, "Well, that means higher taxes." There is another possibility. The other possibility of course, is lower expenditures.

Now if you, as the Treasurer of the province where all the money is—you can call it eight per cent, I call it $7 billion a year in expenditures—want to do something about inflation, you have to cut back on our expenditures. You cannot keep increasing the money supply. You can increase the money supply just as effectively as Ottawa can, even though you can't print it, because you can do the next best thing, you can import it. You can import it from the United States. You can put it into circulation under the bank accounts.

The Leader of the Opposition says why don't you give us a chance at 10¼ per cent.

It's a bad investment. You shouldn't buy them. Because at the rate of inflation you'll lose money on them. But what you are doing—

Mr. R. F. Nixon: Better stick to soya bean futures.

Mr. Shulman: —you are pulling the money out of the bank accounts and putting it into circulation and you are pushing up prices. You are producing inflation. And unless and until you are willing to admit the problem and cut back on your expenditures, you are going to destroy us all economically. You will be remembered for that.

Hon. Mr. White: Mr. Chairman, that may sell books but that doesn't persuade me. Now, I'm going to make one more effort to explain this to those self-appointed economists who have medical degrees and QCs.

Mr. R. F. Nixon: The QCs are all on your side.

Hon. Mr. White: Write it down. We've got revenue from taxation of $7,716 million.

Mr. Shulman: Right.

Hon. Mr. White: We have revenue from receipts and credits of $491 million. We have cash in from capital—

Mr. Shulman: What is that?

Mr. R. F. Nixon: What is that? That carries with it obligations.

Mr. Shulman: What is that, receipts and credits?

Hon. Mr. White: That means repaid loans and so on.

Mr. Shulman: You said it was revenue. Where is it coming from?

Hon. Mr. White: It is coming from people who are repaying their loans, for example the capital aid corporations.

Mr. Shulman: Do you consider that revenue? When someone pays back a loan do you consider that revenue?

Hon. Mr. White: We are talking about cash in and cash out.

Mr. Shulman: Oh boy!

Hon. Mr. White: Just a minute. We'll come back to that in a minute.

Mr. Shulman: There is no hope for the province if that is the way you are going to add.

Hon. Mr. White: Well, you'd better count it. You are counting it out, but not in then.

Mr. Lawlor: How much?

Hon. Mr. White: That was $491 million. The cash in from capital pension plans, which I'm not calling tax revenue, of course—

Mr. R. F. Nixon: They carry a certain responsibility with them.

Hon. Mr. White: —is $1,044 million. These three items add up to $9,251 million. On the cash-out side, we've got expenditures per se, of $8,341 million, and we have disbursements and charges, loans and such like, to Crown corporations and so on, of $574 million, for a total cash out of $8,915 million.

If one takes the cash out of $8,915 million away from the cash in of $9,251 million, one comes up once again with a surplus of cash in of $336 million, and that, of course, is why we are able to buy back these bonds from the public.

Now, my hon. friend has dealt with the economic effect of Hydro's borrowings. In point of fact, the Hydro borrowings are spent in the United States on coal and other supplies. So it has no economic effect in this country. It has no effect on the Canadian dollar. It has no effect on prices in Canada.

So I ask my hon. friend in all seriousness to please reconsider his position and a year from now when he and I are listening—what did Mitch Hepburn say, listen to the onions grow?

Mr. R. F. Nixon: To the grass grow.

Hon. Mr. White: When we are listening to the onions grow—

Mr. R. F. Nixon: Grass.

Hon. Mr. White: —let us sit down rationally, and I know at that time my hon. friend, having lost his partisan passion, will agree with me and the Wall Street Journal, which had a series of articles on this subject in the last two or three weeks, the numbers you've got to look at are cash in and cash out. And we've been in surplus since the day I became the Treasurer of this province.

Mr. Shulman: Mr. Chairman, through you to the Treasurer, to bring it down to its simplest terms—and obviously that's necessary—let me take a very simple example. You are considering this $491 million, which is repaid loans, as revenue. Let us suppose my salary here—

Hon. Mr. White: I am talking cash in.

Mr. Shulman: —our salary here is $18,000. If I lend you $5,000 now and you pay it back next year, do I then consider that $5,000 that is being paid back is part of my revenue? That's what you are saying to us here.

Hon. Mr. White: I am not saying that at all.

Mr. Shulman: That is what you are saying to us. How can you possibly consider a repaid loan—

Hon. Mr. White: I didn't say that at all.

Mr. Shulman: It's not part of your income at all.

Hon. Mr. White: I didn't say it was.

Mr. Shulman: Well, you sure added it in. All that you have taken in this year is that $7.7 billion. The other figures you add in to give the spurious appearance of the $9 billion are repaid loans.

Hon. Mr. White: Listen, let's do this. Would the opposition critics agree that the time has now come to put the accounts of this province on the same accounting principles as a corporation, then subject ourselves to all of the constraints—

Mr. Shulman: No.

Hon. Mr. White: —which we impose on corporations?

Mr. Shulman: Corporations don't have to worry about the welfare of the people of the province. You are supposed to.

Hon. Mr. White: I am only asking that we record our financial activities in exactly the same way as we require corporations in the private sector to do. Wouldn't that be wise?

Mr. Shulman: It is not even comparable.

Mr. R. F. Nixon: Let's ask a specific question. Suppose the corporation has substantial pension contributions from its employees. Is there any way that that corporation ought to be able to look at that money as general revenue for anything other than putting it in very, very secure accounts so that they can pay back that obligation when the time comes? How can it possibly be considered as revenue? You remind me of the member for Haldimand-Norfolk (Mr. Allan). For the first time, he isn't here. He usually is here either listening or taking part. He couldn't stand to say the word "deficit." He coined a new word. He called it a "shortfall." He suffers from the same problem that this Treasurer suffers from. He cannot talk about a current account and a deficit. It's cash in, cash out, and what great shape we are in. They are both misleading, but at least the member for Haldimand-Norfolk used to blush a little bit about it when he attempted it.

Mr. Shulman: Mr. Chairman.

Hon. Mr. White: No, it is my turn. I am now asking the financial critics very seriously to consider the advantages of turning to full corporate accounting.

Mr. Shulman: Another red herring.

Hon. Mr. White: Just a minute please.

Mr. R. F. Nixon: You just changed your accounting method two years ago. We are just barely catching up with it.

Hon. Mr. White: It was against my wishes. That is one of the ones I lost.

Mr. Lawlor: Would you like to have a depreciation account too?

Hon. Mr. White: I am suggesting that we thereby accrue all pension liabilities, including the member for Lakeshore's, just as a corporation is required to do and that we accrue our capital acquisitions just as a corporation is required to do. Wouldn't that be a good idea? Then when we set rules for the corporate sector, we would know we were applying the same rules to ourselves and this would introduce a new constraint on the appetites of the politicians.

Mr. Shulman: Well, we sure need that.

Hon. Mr. White: Wouldn't that be wise?

Mr. R. F. Nixon: No. In your own comments in the introduction of your budget—

Hon. Mr. White: If we would do so, we would show a profit this year of more than $500 million.

Mr. R. F. Nixon: Well, that is the point, Mr. Chairman. We simply cannot buy that kind of logic because you are going to say you can sell the highways to Quebec or you can sell the hospitals to a consortium of doctors in Toronto and turn them into cash. You say we don't understand. You are right. We do not understand your logic because it's wrong and the people know it's wrong.

Mr. Lawlor: It is absurd.

Mr. Shulman: Mr. Chairman.

Mr. Chairman: The member for High Park.

Mr. Shulman: The minister said one thing about which some comment must be made, and I have given up. I don't think I am going to pursue it but I want this for the record. He said when Hydro borrows in the United States that $175 million it doesn't affect the cost of anything here because that money is being spent in the United States for coal and other raw resources, that it only affects them and it doesn't affect us.

Does the minister not realize that, if you didn't borrow that $175 million in the United States, it would have to be soaked out of the Ontario economy? That $175 million affects us down to the last penny and it pushes prices up that much and it pushes up the amount of money in circulation here. How can you ignore that? Where it is spent is irrelevant. The fact that you borrow it there and spend it there means that you aren't raising it here, where you should be raising it, and that extra money is in circulation here and milk or bread or everything else goes up by one more notch. You can double-talk us from now until doomsday but the facts are very clear and every one of your economists knows it, and they must have told you by now.

Mr. Chairman: The next speaker is the hon. member—

Hon. Mr. White: No, just a minute. My hon. friend changes position 180 degrees—

Mr. Shulman: Not one iota.

Hon. Mr. White: —because a half an hour ago, he was suggesting that our borrowing in Ontario was pushing up prices and now he is suggesting that our not borrowing in Ontario—yes, I will prove it with Hansard—is pushing up prices.

Mr. Shulman: Borrow it anywhere. It doesn't matter. On a point of order, Mr. Chairman, the point I made was that his borrowing raises prices. Where you borrow is irrelevant. When you borrow money and spend it, you put that much more money in circulation, you raise prices, and whether you borrow it here, there or in Timbuktu doesn't make the slightest difference.

Mr. Chairman: The hon. member for Prince Edward-Lennox.

Mr. J. A. Taylor (Prince Edward-Lennox): Mr. Chairman, the inherent contradictions in the statements of my friend from Ottawa Centre and the member for High Park are puzzling indeed.

Hon. A. Grossman (Provincial Secretary for Resources Development): What's new?

Mr. Taylor: On the one hand the member for High Park says the government is spending too much money; on the other hand the member for Ottawa Centre says it is not spending enough. When he says it is not spending enough then he zeros in on eastern Ontario and says: "What are you doing for the poor people in eastern Ontario?"

Hon. Mr. Grossman: That is why the member for High Park is going to leave that party before the session is over.

Mr. Taylor: And here he is, the self-appointed champion of the weak and the oppressed, and he is the saviour who is coming along to redeem us all in the east.

Mr. Lawlor: You need a little redemption.

Mr. Taylor: Just a minute—the member for Lakeshore is another one. This afternoon, as you know, we taped the programme in connection with the spending on jails and detention centres in this province, for which I may say the government only took over the responsibility in 1968. Certainly if you come to eastern Ontario, you have Belleville county jail replaced, you have the Picton jail replaced, you have the Napanee jail replaced, you have the Kingston jail replaced, your tenders are out for the new jails in east and west Toronto (Etobicoke and Scarborough), you have a new London jail and Ottawa jail. The money is being spent, and the reason I am mentioning this is that you say here we are spending too much money and a few hours ago you said we are not spending enough.

Now, I think the member for High Park has made some points, because there is no question that there has been too much government spending at all levels and I think this is one of the reasons for the inflation that we are suffering today. I think this is very serious—not only that, but it may very well get worse.

Mr. R. F. Nixon: Good point.

Mr. Taylor: But when we talk about the economy of Ontario there is no area in the world that can compare with Ontario—

Some hon. members: Hear, hear!

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Tell us why, Jim.

Mr. Taylor: When you look at Canada, where are the investors coming? They are

coming to Ontario because we have the natural resources here. We have a very strong economy and our long-term view is very prosperous and hopeful indeed.

Hon. Mr. White: Thirty-one years of perfect government.

Mr. Taylor: There is no question about sound government. You cannot spend yourself into prosperity. So, I think that we have to watch where the money is going.

Just to answer my friend from Ottawa East (Mr. Roy), I would like to make the point that I'm most mindful of eastern Ontario and have been trying for a long time to ensure that eastern Ontario participates fully in the growth and development of Ontario. Nevertheless, we are getting things done in eastern Ontario. Let me just quote a few—

Hon. Mr. White: More to come.

Mr. W. Ferrier (Cochrane South): Building more jails, too.

Mr. Taylor: Yes, you would close down the churches and build more jails, when I listen to you people.

Mr. Lawlor: We'd close down the jails and build more churches!

Mr. Taylor: Then you have seen the light. But there is another contradiction; you are paradoxical.

Interjections by hon. members.

Mr. Chairman: Order, please. Allow the member to continue.

Mr. Taylor: That's all right, Mr. Chairman —I don't mind a little repartee.

The point I would like to make is that when you look at eastern Ontario—for example, the industrial milk production centre programme from July 1, 1973, to June 30, 1974—

Mr. R. F. Nixon: That is vote 1.

Mr. Taylor: The Leader of the Opposition will be very interested in hearing this piece of news from my riding again. There were a total of 73 applications, of which 63 were in Prince Edward county.

Mr. R. F. Nixon: For what?

Mr. Taylor: The average amount per application is $12,645, which translates into a total in this area—and I'm talking about Prince Edward-Lennox—of $923,085. Now there's money coming into the riding.

Mr. R. F. Nixon: That's great.

Mr. Taylor: That is great, especially when it also translates into increased industrial milk production of 11,291,564 lb. That's progress.

Mr. R. F. Nixon: That's a lot of milk production.

Mr. Taylor: And that's eastern Ontario for you.

Mr. A. J. Roy (Ottawa East): Tell us about the cheese production.

Hon. Mr. Grossman: The member for High Park will claim that is inflationary.

Mr. Taylor: Now, what about the capital grants through the farmers' incentive programme? The hon. member might be interested in this.

Interjections by hon. members.

Mr. Taylor: All right, the Leader of the Opposition got up and said: "Let's hear the farmers speak." Now he's going to listen to one, and he's going to listen to what's being done for the farmers in eastern Ontario.

Interjections by hon. members.

Mr. R. F. Nixon: The lawyer from Scarborough with a big black book.

Mr. Taylor: At least I don't carry it into the House like you do.

Mr. M. C. Germa (Sudbury): You have never been off the pavement in your goddam life.

An hon. member: Watch your language. That's not parliamentary language.

An hon. member: Make him take it back.

Interjections by hon. members.

Mr. Chairman: Order, please. Order.

Mr. Taylor: I'm not known as a stuffy person, Mr. Chairman, but I think that's unparliamentary language.

Mr. R. F. Nixon: That's right, and I think the Lord is on your side.

Mr. Taylor: If my friend would like to visit my riding, I could show him a little bit of the rural community and something that might interest him.

Mr. Roy: We don't have to visit.

Interjections by hon. members.

Mr. Chairman: Order, please. Allow the member to continue.

Mr. Taylor: Now, insofar as capital grants to Ontario farmers in Lennox and Addington and Prince Edward counties are concerned, there was a total of $265,950 for the period from April 1, 1973, to March 31, 1974. I think that inflow of money certainly has assisted the farmers in the community that I represent, and I'm particularly proud of the government for that.

Mr. R. F. Nixon: How about the deficit? How does that agree?

Mr. Taylor: Just a minute. I'm going to tell you about some of the moneys that have been spent in just a small part of eastern Ontario, to illustrate just how fallacious and cooked were the arguments of the member for Ottawa Centre when he made his dissertation this afternoon. Unfortunately, he's not here right now but maybe he can read about it.

An hon. member: He's listening.

Mr. Taylor: I'm sorry that I'm not listening to you.

Mr. Germa: No, but he's listening to you.

Mr. Taylor: That's good. I hope he is, because he may learn something.

In housing, of course, much progress is being made in both the Picton and Napanee areas. There's a new senior citizens' home worth $426,000 or so in the Napanee area. We have a new county home going in in Prince Edward county for about $1.5 million. I mentioned this afternoon the kind of a deal we're getting in terms of grants, but certainly over half of the tax bill of the ratepayers in my riding is paid by the Province of Ontario, and I think that the people are grateful for that.

Mr. R. F. Nixon: Grateful? It's their money.

Mr. Taylor: In terms of education costs, the grants to the Prince Edward County Board of Education total about 79.3 per cent at the elementary level; at the secondary level the grants amount to 79.64 per cent.

Mr. R. F. Nixon: Norris never made a speech like this.

Mr. Ferrier: You must have heard. He is going down next year.

Mr. Taylor: So almost 80 per cent of the cost of education at the primary and secondary levels is paid by the province.

Mr. R. F. Nixon: That man ought to be made a parliamentary assistant.

Hon. Mr. White: This is the best speech I've heard this session.

Mr. Ferrier: Where have you been?

Mr. Taylor: The province also has been paying 87.86 per cent of the cost of operating the Hastings-Prince Edward Separate School Board. Maybe these are figures you don't like to hear, because you wish the people to believe that the province is not doing very much for the people of eastern Ontario. I'm not for a moment saying that we don't look for more because, of course, that's the—

Mr. Ferrier: I thought you said the government was overspending.

Mr. Taylor: —nature of the human animal, I suppose, to keep looking for more. But progress is certainly being made.

We have made substantial contributions to our library systems, to our museums. Through highways, of course, we have construction and maintenance. In Prince Edward county, for example, construction was $183,000, and maintenance $229,000. In Lennox and Addington, construction almost $200,000 and maintenance $277,000. I have a whole list of contributions pursuant to the tax stabilization grants programme which I mentioned was represented in the tax bills of the people of Prince Edward-Lennox.

In terms of job opportunity, again I mentioned earlier the projected jobs that were generated through the programme of the Ontario Development Corp. in terms of performance loans, and the many millions of dollars that have been put into eastern Ontario in connection with that particular programme.

That is to say nothing of the acquisition by this province of the lands that were owned by the federal government in Picton at Prince Edward Heights. They were acquired for some $1 million and the reconstruction and renovation costs are certainly in excess of about $3.5 million. This has generated a great deal of economic activity and job opportunity for not only the people of Prince Edward county and surrounding municipalities and counties, but I dare say of the province as a whole.

There were about a year ago some 365

jobs on the site which of course occupied peoples of all occupations and callings and professions, through the Ministry of Health, through catering services, the Ministry of Government Services, the Ministry of Education. The payroll in 1973 was something over $3 million a year, so we are particularly happy with the activities of the government of Ontario in terms of contributions to this part of eastern Ontario.

I think the economic impact on the area is obvious and certainly it has benefitted the commercial community as well. We are naturally looking for more job opportunities, and I've said in the past that we spend a great deal of money on education. We educate the young people in eastern Ontario, certainly in the riding that I represent. Sometimes the job opportunity is not available locally to accommodate the graduates of our schools, so they have to seek employment elsewhere. However, they have a lifestyle I think which is sought by many.

I think that the activity of the government in terms of economic development, the industry that it has enticed, the industry that it has helped through loans, will see more job opportunities made available for the people of eastern Ontario so that they can not only continue to live in the community in which they were raised, but also can establish their own homes and raise their own families in that community where they prize the particular environment that their forefathers developed and which they cherish very much.

It's not a question of producing another Hamilton, a heavy industry locality. It's a matter of generating jobs through a keen industrial and commercial development. I think that the government has done just a tremendous job in assisting in this programme. Naturally, we are looking for more assistance, more direction. I think that the thrust of growth and development in Ontario is more toward the east. You can see this happening and no doubt as time progresses development will take place there.

We are also particularly proud, Mr. Minister, in working with your programmes in terms of municipal organization, and we only believe in the unification of essential services where that unification accommodates the local people and serves a very useful purpose. We don't believe in bigness for the sake of having something larger than the people next door.

But, with your programme of restructuring, where the initiative is left with the local people, we now are in a position to assess our municipalities to see what services might be unified so that they afford a better service and convenience to the public. Where that suits us then, of course, what we do is proceed in co-operation with the adjoining municipalities. That's something that is being looked at today in terms of sewers and water, and it's something that was looked at in Prince Edward county in terms of the restructuring of the county government itself.

So there's no question that it is not a matter of pressuring the people of eastern Ontario to develop large regional areas. We're particularly proud that we can direct our own growth, our own government, and can look after our own services. We're not for centralization, we're for local autonomy, so that not only do we have the right but we have the responsibility of governing our own communities.

We have experienced a tremendous co-operation from your ministry in that and also, I may say, the financial contributions have been significant—

Interjections by hon. members.

Mr. Chairman: Order, please.

Mr. Taylor: —so we are assisted in developing our communities to play a more meaningful and, I suppose, a greater role in the economy of Ontario.

Hon. Mr. Winkler: Typical of the Davis government.

Mr. Taylor: As I say, I'm particularly proud that we have this philosophy which is guiding us, and I may say that the assistance that has been given has not been in terms of attaching conditions and strings so that we experience centralization rather than self-determination.

I think the financial assistance has not been minute. I don't think that the member for Ottawa Centre, Mr. Chairman, was accurate at all when he looked at the people of eastern Ontario as the poor country cousins who were suffering from a lack of regard by this province in terms of the expansion of the eastern economy. I think that we are thankful for your programmes and your help. As a matter of fact, only yesterday the Minister of Industry and Tourism (Mr. Bennett) toured the Napanee area, and we have been assisted, through that ministry, in generating further jobs and opening up opportunities in eastern Ontario. I am sure that we'll see more of that.

So I think that it's essential to put a proper perspective on what's happening in eastern Ontario. We can't spend ourself into prosperity; at the same time I think that the direction of funds to the east, the direction

of job opportunities to the east, means of course the growth in population of the eastern communities so we can become more self-sufficient in terms of cultural, social and economic amenities. I trust that that is the philosophy of this government. I trust that as the funds are allocated we will be getting at least our fair share of those funds so that we can continue to grow and develop and enjoy the economic prosperity of this province, which is second to none in any province in Canada, and of course the economy is second to none in the entire world.

I just wanted to put the record straight in that regard, Mr. Minister.

Hon. Mr. White: Mr. Chairman, these remarks and comments are very helpful and encouraging to me, I must say.

Mr. Lawlor: Just like Fortune magazine.

Hon. Mr. White: I stepped out of the chamber for a moment, but I want my colleague to know that I was listening to him from Mr. Speaker's repeater out there.

Mr. V. M. Singer (Downsview): Careful.

Mr. J. R. Breithaupt (Kitchener): You will never get another chance.

Hon. Mr. White: Eastern Ontario is a delightful part of this province for a number of reasons. It has a quality which is lacking elsewhere. I'm not saying it is any better or any worse than western Ontario but it is very different and that difference is charming and very pleasant no doubt and very supportive to the people who live in that part of the province.

At the same time, it must be admitted that that part of the province has had less than its fair share of economic resources. We have attempted over the years to remedy that in a wide variety of ways. We are redoubling our efforts now. The EODC is just one of several examples that could be given.

I really do hope and believe that the Ontario Land Corp. will become a new source of financial strength and impetus to eastern Ontario, not just because the corporation itself will lend money to a large corporation for a large industrial centre from which all kinds of economic benefits will devolve but because the OLC—and this is very very important in the scheme of things—will have the power under the statute to lend money to some number—I don't know if I am talking about five or 55 — provincial-municipal industrial parks in those municipalities which want to have such a facility so that their own young people can stay at home and be gainfully employed.

Mr. Singer: Fern Guindon would speak very highly of that.

Hon. Mr. White: So, as I said before, we will thereby create a hierarchy of industrial parks in eastern Ontario which I have no doubt—

Mr. Singer: He speaks of little else as he walks up and down the streets.

Hon. Mr. White: —will attract attention not just from central Ontario but from corporations of one kind and another from all over North America and hopefully from all over the world. I really do believe we can do even more than we have done before, although I very greatly appreciate the constructive remarks offered by my hon. friend.

Insofar as the government structure is concerned, there isn't the compelling need in that part of the province as there was on the periphery of Toronto to restructure local government. I have believed, as I said from the very first since I took this position, that the people in the areas concerned have the wisdom, the feel of the area, and are best able to put in place whatever improvements they want.

We have four counties now going through a restructuring study. Four are about to do so; four are considering it. That's 12. Frankly, I would just as soon we slowed it down a little bit. I'm not pushing it at all. If Oxford county had said to us, "No, please don't proceed," I would have said fine. I say that to the member for Oxford (Mr. Parrott). He knows what I am saying is the truth.

We are not pushing these people at all. We are glad to see them take whatever time it takes—

Mr. Breithaupt: Even in Oxford.

Hon. Mr. White: —to formulate their own points of view and to bring their people along with them because—

Mr. Lawlor: Of course you are not.

Mr. R. F. Nixon: That is intellectually dishonest.

Mr. Breithaupt: Even in Oxford.

Hon. Mr. White: —part of the secret no doubt is to have the support which the new structure requires.

Mr. Breithaupt: Even in Oxford.

Hon. Mr. White: So, we are not going to take the initiative. We are not going to use unsuitable inducements. We are going to stand back and accept whatever decisions are made in the area.

Mr. Lawlor: So, you are not going to lose a single vote.

Hon. Mr. White: So I say that to my hon. friend and to all those who come from those parts of the province where there has been no such modernization attempt.

Mr. R. F. Nixon: Mr. Chairman, I wonder if the Treasurer's statement falls into line with what he said this afternoon when he said he is not prepared to force it down anybody's throat unless it is absolutely necessary. I have a feeling that in many respects his attitude is that. As long as people agree with him then he is prepared to agree with them, but if they don't then it's down the throat.

But I would like to change the subject, if you will permit me, Mr. Chairman, on a matter of policy on the first vote.

Mr. Lawlor: Discretion is the better part of valour.

Hon. Mr. White: I don't remember saying "unless it is absolutely necessary". I can hardly imagine a set of circumstances which would require me to move in. If it should happen that a community was heading straight into bankruptcy, I suppose I would have to make a grant to it or something. I don't understand the Leader of the Opposition's remark at all.

Mr. Singer: Put on a sweater and turn down the thermostat.

Mr. R. F. Nixon: Mr. Chairman, I wanted to just ask the Treasurer, with your permission, on another matter, to express his views on the policy of unconditional grants. There has been quite a programme of opposition to deconditionalizing certain grants that certainly all of us as members of the Legislature have been exposed to, but I had thought the statement made by the Treasurer had been a steady move toward deconditionalizing these grants.

Is it true that any thought of deconditionalizing, let's say, conservation authority moneys and so on has been abandoned for the time being? Has the policy of the government changed in that regard? We might very well discuss it on another occasion but since it seems that we can discuss these matters under the policy vote, it seems to me that the policy of the government should be clarified in that regard.

Hon. Mr. White: Mr. Chairman, in April, 1973, I offered a list of 12 candidates for deconditionalization. In April, 1974, nine of the 12 were, in fact, deconditionalized and three were put over on to a new list of 14 or 16 candidates for deconditionalization. Now, let me set your mind at rest. I wouldn't contemplate for an instant deconditionalizing grants to conservation authorities—

Mr. R. F. Nixon: That was on your list.

Hon. Mr. White: Yes, that was on my list of candidates.

Mr. Breithaupt: What about libraries?

Hon. Mr. White: I am coming to that. That was on my list of candidates. This was to invite MPPs, municipal councillors, conservation experts and others to offer opinions. That's why it wasn't done as a fait accompli. I have had some response from a variety of sources, including our own caucus, and I want to say in the clearest language possible, I wouldn't contemplate—

Mr. Cassidy: Make it perfectly clear.

Hon. Mr. White: —deconditionalizing grants to conservation authorities unless the conservation authorities themselves asked me to do so. No, no, now I am not finished. I am not finished yet. I have made this statement not once, but at least twice to the provincial-municipal liaison committee, which is the fountainhead for deconditionalization.

Now let me turn to library grants. I showed them in April, 1973, as a candidate for deconditionalized grants. Believing, as I do, that if they met the competition out on the streets of their towns they would get more money and not less, I had a meeting with this group some time before the April, 1974, budget came in, and I offered them five alternatives. I am sorry I cannot recapitulate all of those now, but to give you the essence of the alternatives, I said, "Would you like to try it for a couple of years and if it doesn't work we will go back to conditional grants? Would you like to try it by regions and if it doesn't work we will go back?" and a couple of other such alternatives.

I am sorry to say that the library association in convention a month or two ago touched on this list of five options without really fully debating it, and so I didn't get the kind of response I had hoped for. Notwithstanding that minor disappointment, I

now want to assure the House that I wouldn't deconditionalize library grants unless the librarians' associations agreed to one of the five alternatives, and this is not a new idea. This goes back a year.

Mr. Chairman: The Chair recognizes the hon. member for Kent.

Mr. J. P. Spence (Kent): Mr. Chairman, it has been very delightful to hear the remarks of the provincial Treasurer.

Mr. R. F. Nixon: Almost entertaining.

Mr. Spence: Of course, Mr. Chairman, I am not an economist, I am just a layman in finance.

Mr. R. F. Nixon: Good common sense.

Mr. Spence: Actually, Mr. Chairman, I have to rely on the newspaper. After listening to the Treasurer outline the financial conditions of this province, you pick up the newspaper and you read some of the articles that come before your eyes. I saw a few days ago in the Globe and Mail: "A Quiet Panic Hits Ontario Cabinet." This is what it says. Actually you want to keep it hidden. You get all the blankets to cover it up. I am not going to take up too much time, but it says here that to meet the increased range of services demanded by the modern urban society "the current Ontario budget increased the amount going to municipal governments to 29 per cent of total spending, about $2.3 billion. Without this aid, according to Treasurer John White, there would be only two alternatives: 'Huge mill rate increases, which would be a regressive form of additional taxation, or the virtual collapse of local government.' And there will be large mill rate increases next year anyway . . ." Now what are we to believe as laymen when we hear your remarks that the financial condition of this province is tremendous, and you look at the increase in interest paid on the capital debt of this province, and then we see it is reported to have cost an extra $25 million to have those six regional governments in the Province of Ontario?

As a layman, Mr. Chairman, it staggers me to read these articles in the paper that we are in sound financial condition. If these regional governments were a better way of government, you wouldn't have to give increased grants.

Why wouldn't the grants be the same for the local governments that aren't in the regional government? You give larger grants to the regional governments than you do to those municipal governments that aren't in regional government. It staggers me that you have to give financial incentives to encourage people to go into regional government.

Now, if it is such a good thing—and regional government has been in force for quite a number of years—why does this government have to give such financial incentives to encourage people to form new regional governments?

I notice they have changed the name from regional governments to structural governments. Why would you have to change it? The people who aren't members of this Ontario Legislature are a lot smarter than the ones in it. It staggers me to listen to some of the remarks that we are in sound financial condition.

Hon. Mr. White: That was not my phrase actually, that was the Wall Street Journal quoting Moody's rating service saying we are in sound financial condition. Those were their words, not mine.

Hon. Mr. Grossman: You agree though, don't you?

Hon. Mr. White: I agree, but I don't want it thought by anybody here that I would be immodest enough to apply those words to my own budget.

I want to acknowledge, in the pacific mood in which I find myself, what a great pleasure it has been for me to associate with J. P. Spence, the MPP for Kent for the last 16 years. I worked as a boy, at 15 and 16 years of age in Leamington, not so very far away from the hon. member's riding and I gained a great deal of admiration for the quality of life down there which, as I mentioned earlier, is somewhat different, I believe, from that of eastern Ontario, but equally delightful.

Mr. R. F. Nixon: Are you sure you are giving up politics?

Hon. Mr. White: Now my hon. friend is quite rightly confused. He is confused by a very good columnist on a very bad day, and maybe by a very bad columnist—

Mr. Breithaupt: On a very good day.

Hon. Mr. White: —on a very good day. He is confused, secondly, by his own leader who has used this $25 million figure. Even if his leader were right, we would be talking about less than one per cent of our total grants to municipalities.

Now, sir, since the great tax reform budget of March, 1969, we have increased our grants by $1.1 billion; we have kept property taxes more or less where they were and we have diminished—

Mr. R. F. Nixon: Where they were in 1969? Baloney.

Hon. Mr. White: —property taxes as a proportion of gross provincial product from—I think—4.7 per cent to 3.8 per cent. We did it deliberately, for reasons we have gone into before.

Why are regional government grants larger than non-regionalized areas? Because they're taking greater responsibilities, including all the planning responsibilities, from us here at Queen's Park.

Now, I had the privilege this morning, at 7.30, of going to a breakfast meeting—

Mr. Breithaupt: It's good to be up early isn't it?

Hon. Mr. White: —at the ACRO convention in Windsor. And I had the privilege of speaking to several hundred people at that early hour.

Mr. J. F. Foulds (Port Arthur): It must have been a shock for them if not for you.

Hon. Mr. White: Naturally, I was pleased at the close attention they paid some of my words, including the following.

An hon. member: Naturally.

Hon. Mr. Grossman: At 7.30 in the morning, gee!

Hon. Mr. White: "When I speak of providing"—I'm quoting from myself here, a sign of an egomaniac.

Mr. Breithaupt: There's an unimpeachable source!

Hon. Mr. White: I'm trying to enlighten the hon. member for Kent.

Mr. Lawlor: I thought reading your own speeches was against the rules of the House.

Mr. Chairman: Order, please.

Hon. Mr. White: To continue:

When I speak of providing every available dollar, I am not indulging in rhetoric. I'm referring to the $2.4 billion that we've passed along as transfer payments to local governments this year, a figure representing an increase of $250 million over last year. I'm also referring to what we call our Edmonton commitment, a two-part undertaking in which we have pledged first to increase our transfer payments to the municipalities at the same rate as provincial revenues increase. And second, to pass along to the municipalities, 100 cents of every new dollar of revenue we receive from Ottawa.

I'm going to skip a few paragraphs here.

Hon. Mr. Grossman: Read it all, it sounds pretty good.

Hon. Mr. White: I provided a set of tables for the wardens, chairmen, councillors and others who were in attendance.

Mr. Foulds: I hope they were more accurate than the ones tonight.

Hon. Mr. White: And I said to them:

As you examine the tables in this document you will see that the province has substantially shifted the burden of taxation from real property in order to make the Ontario tax system more progressive. As a result, we see the provincial revenues have increased, making it possible to decrease municipal taxes from 4.3 per cent of gross provincial product in 1968 to 3.7 per cent in 1973.

Mr. R. F. Nixon: Putting it all in sales tax.

Hon. Mr. White: I continued:

To focus on the question of mill rates, we selected 20 municipalities more or less at random, making sure there was some balance between urban and rural municipalities. Examining their mill rate increases we find they averaged only 10 per cent for the entire five-year period. Such a modest increase of two per cent per year does not include one particularly significant factor. It does not take into account the extent to which tax credits have reduced the regressiveness of property taxation.

The old property tax reduction programme cost Ontario taxpayers $110 million in 1968. Since then, with the introduction of our current system of property tax credits, and supplementary benefits to the elderly and farm tax rebates, we've increased this form of assistance by $155 million, which means the total for 1973-1974 is about $265 million.

Now, I don't want to go on too long. You've been very patient with me. I'll read the next two paragraphs, that'll be a compromise.

Hon. Mr. Grossman: They're not enjoying it.

Hon. Mr. White: I said:

> At the same time, transfer payments from the province to the local sector have increased by $1.1 billion. This sum has been financed largely by the provincial tax increases I referred to a moment ago.

The conclusion, Mr. Chairman, is inescapable. The province has been raising the money and passing it along to the local governments to enable higher levels of municipal services combined with a decreased dependence on regressive municipal taxes.

Now, I'll be glad to read the rest of this if anybody so desires.

Hon. Mr. Grossman: I do.

Mr. Chairman: The hon. member for High Park.

Mr. Shulman: Mr. Chairman, isn't it wonderful how the Treasurer is able to distribute all these billions of dollars he talks about without running deficit financing, without raising the money by taxing? He is indeed a miracle worker.

Hon. Mr. White: I didn't raise taxes. Don't forget that.

Mr. Shulman: I want to pursue this myth which he is trying to propagate so well that we are not using deficit financing because if we follow his tortured logic and take it down to Ottawa, they too are apparently running a surplus. Does the minister think that they are using deficit—

Hon. Mr. White: They are $2 billion in deficit.

Mr. Shulman: Ah, you'll accept that they have a deficit? Because—

Mr. Breithaupt: Like beauty, it's in the eye of the beholder.

Mr. Shulman: Oh, I see. In other words, if we are in Ottawa, we balance off revenue and expenditures. But if we are in Toronto, at Queen's Park, it doesn't work that way. It's just so ludicrous it's not debatable.

The minister said one thing, though, that is worth commenting on briefly. He made a great, important point of the fact that we are only using in Ontario some 11.3 per cent of the gross national product.

Hon. Mr. White: Gross provincial product.

Mr. Shulman: All right.

Mr. Breithaupt: It is just as gross.

Mr. Shulman: Well, what difference does it make? It's completely irrelevant. All you are doing is comparing our performance with that of the other provinces.

Hon. Mr. White: It would be about 3.5 per cent of the gross national product. That's the difference.

Mr. Shulman: What difference does it make whether that figure has gone up or gone down?

Hon. Mr. White: That is the difference it makes.

Mr. Shulman: It makes no difference. It's a matter of numbers. The only difference is whether you are spending less than you're taking in.

Hon. Mr. White: We are spending less than we are taking in.

Mr. Shulman: It is absolutely incredible. There are even smiles in the rows where your advisers are sitting.

Mr. Breithaupt: Even among those who are standing.

Mr. Shulman: I have got to come back to something the Leader of the Opposition said because he said something which you brushed over but which is probably the most important thing said in this debate.

What you are doing, and you may kid your followers—they may cheer for you and you may fool the press and you may fool the public, but everybody in this room knows it—is that you're running deficit. What this means is when the time comes when we have unemployment here, and this is the point that was raised by the Leader of the Opposition—give him full credit—you are not going to have the leeway to increase your expenditures.

Hon. Mr. Grossman: God is listening.

Mr. Shulman: Well, thank goodness somebody is listening. The minister isn't listening. It's a two-sided tragedy. You're producing inflation on the one hand and on the other you are reducing the possibility of a future minister to respond to a deflation, to a depression, to unemployment, because the classic—

Hon. Mr. White: It is not likely.

Mr. Shulman: It is indeed.

Hon. Mr. White: Get a grip on your paranoia. You are completely incorrect.

Mr. J. E. Bullbrook (Sarnia): Do you realize what he just said? "Get a grip on your paranoia."

Mr. Chairman: Order, please. The hon. member for High Park has the floor.

Mr. Bullbrook: Do you understand what that means?

Hon. Mr. White: My hon. friend wrote a book telling people how to benefit from paper manipulation—

Mr. Shulman: I have not finished. Sit down. Mr. Chairman, do I have the floor? He is out of order.

Hon. Mr. White: —which is one of the root causes of inflation. There is where the villain stands—across the aisle.

Mr. Shulman: Mr. Chairman, since we are on that personal note, yes, I did write a book telling people how to make money by profiting from the mistakes of government ministers; but I wish I had saved that book until tonight because I have never seen one who is making as big a mistake as you are making.

Of course, people are going to make fortunes from your mistakes. If you insist on producing inflation, of course speculators are going to take advantage of it and, of course you are going to make millionaires here, there and everywhere else. The tragedy really is what is going to happen two or three years from now when the minister has gone smelling the onions, as he said, and we have some other minister who has to sit there thinking, "What am I going to do with unemployment up to nine or 10 per cent when my predecessor refused to cut his budget, refused to save where he could and refused to live within his means?"

When that time comes, then we are going to have only one recourse. Then you are going to have to go down to Ottawa and you are going to have to plead with them and say print some more. The minister won't listen to me and I suspect that nobody else will either, but I say to you, Mr. Minister, you and I are leaving this House very shortly. You said to me I should let the passions of my political party leave me. I say they left me a long time ago. I say to you—and I mean this from the bottom of my heart—you are destroying the economy of this province. You are insisting on spending money we do not have. You are insisting on counting as revenues the deposits people make in the savings banks and loans people repay to you. This is a cruel charlatanism which is going to come back to haunt us all.

Hon. Mr. White: I say to you from the bottom of my heart, that we are taking in more cash than we are putting out, that in this and other ways we have a deflating effect, and that we have ample capacity to provide a very high level of public services which will no doubt evolve over time and will take in more areas. At the same time, we have unused credit capabilities, as proven once again by the triple A rating, which can be wheeled into place when needed to put great public works in place to utilize whatever underemployment of our resources there may be some months from now.

There are a number of reasons why governments must incur debt. My hon. friend from Lakeshore dealt with one of them earlier today: To bring unused resources into employment during a recessionary phase of the business cycle. That's an entirely appropriate reason and one which we ourselves will adapt when it's appropriate. It is not appropriate in 1974.

Mr. Shulman: But it is not appropriate today and you are doing it today.

Mr. Lawlor: Not just in a recessionary cycle; at other times.

Hon. Mr. White: We are not doing it today. It is absolutely essential to provide that source of savings, that avenue for investment in the public sector.

Hon. Mr. Grossman: That is what your party wants us to do.

Hon. Mr. White: It is necessary to have roads, just as it is necessary to have trucks. So there are a number of reasons why we are well advised in a period of underemployment to fully utilize the credit capability of the province. This is not the year and that's the reason we are taking in more cash than we hand out and that is the reason why we bought $594 million worth of bonds from the market in the last 20 months.

Mr. Shulman: But you have placed another $960 million.

Mr. Bullbrook: I want to, if I may—

Mr. Chairman: The hon. member for Sarnia.

Mr. Bullbrook: I hesitate to come after the member for High Park because of the fact that we all know he has a degree of expertise in the field of finance and economics.

Hon. Mr. White: Medicine.

Mr. Bullbrook: I beg your pardon? Medicine?

Hon. Mr. White: He is an expert in taking out appendixes.

Hon. Mr. Grossman: And how to come to grips with paranoia.

Mr. Bullbrook: I would think he has some degree of expertise. I know he has considerable more expertise, Mr. Chairman, than do I.

Hon. Mr. White: I don't think he has.

Mr. Bullbrook: I want to say this to you, if I can quietly, and with as much respect as I can muster for the Treasurer of Ontario: I think he has more expertise than you do because you are full of sound and fury and you really signify nothing of any consequence.

There are some of us here with some knowledge about things you do and say. You said to the member for Thunder Bay this afternoon: "Do you read my speeches?" And he said: "Yes, I read your speeches. I read the speeches you make in Newfoundland."

I have read speeches you have made and I looked at the rationalization you have made. I read a speech you made on Sept. 10. I don't have the text here so I want to say this, Mr. Chairman: Every time I misquote you, I invite you to get up and resist what I say.

You spoke to the Canadian Club in New York on Sept. 10. Correct or not correct? Correct.

And you spoke about the new taxes in Ontario. Correct or not correct? Correct.

And you began with the mining tax. Correct or not correct? Correct.

And you went to the land speculation tax. Correct or not correct? Correct.

And then you talked about the land transfer tax and this is where you are so insidiously pompous, full of sound and fury and spewing forth nothing but platitudes. Let me tell you what you said. They have given me a copy of your speech.

I think it's on page 7. You talked about the criteria for exemptions under the Land Transfer Tax Act, matters of policy promulgated by this government to substantiate an imposition of a tax to create speculation in connection with land, to control foreign investment, but premised on a revenue position. Not a primary position, a secondary position.

Hon. Mr. White: Mr. Chairman, on a point of order, it was not page 7, it was page 11.

Hon. Mr. Grossman: Seven eleven.

Mr. Bullbrook: I knew I would make one mistake tonight. Page 11, right?

It is to a group of businessmen in New York that he is rationalizing these taxes. I won't even talk about the rationalization of the mining tax because this was a superior effort on his part. I won't talk about the burden he placed upon the Minister of Revenue (Mr. Meen) in connection with the land speculation tax because that's a burden we have seen over the past. But I want to quote for you, Mr. Chairman, his part about the criteria available to the government in objectively evaluating the exemptions available to those who sought those exemptions in connection with the Land Transfer Tax Act.

I quote them from memory. I believe the first one to be the creation of new employment. Correct or not correct?

Mr. Breithaupt: Correct.

Br. Bullbrook: I believe the second one was the advancement of technical research. Correct or not correct?

The third one was, of course, something that has really occupied the time of the member for Thunder Bay and others; the resurgence of the economy of northern and eastern Ontario.

Now, the fact of the matter is this—and I put it to you, and I want you to interrupt me—I say to you in connection with every exemption that has been approved by the government of Ontario, not one of them met all the criteria—not one of them. These weren't criteria that were exclusive each to the other. These were concurrent criteria all put together. These were the things that the government said as a matter of policy they wanted. He throws up his hands.

I intend to get to some other matters. I just want to begin by showing you that you go around mouthing these things throughout this country and other countries, making a fool of yourself and your government and coming back and doing nothing of the things that you say you would do.

I invite you to my own riding. I have told you by press release. You have responded by a platitude of itself that the tax really wasn't a tax, it was an effort in policy. I asked you this afternoon. I accepted your premise. I began by accepting your premise that your intention wasn't to tax. You got up in your

place and your first answer was, "Well, you must realize that we didn't intend to tax." I began by accepting your premise, that rationalization, as stupid as it was. If you have a policy to develop, then develop from the tax point of view.

I take the position, and I hope everybody in the Legislature takes the position, that a tax is a tax. We talked about this during the debates in connection with the imposition of these taxes. I hearken back to this, Mr. Chairman; not once was he in the House, not once did he join that debate. He burdened his colleague, the Minister of Revenue with carrying these bills through the House, when we were vitally concerned with the principle of taxation. And surely if there is something that is concurrent with parliamentary responsibilities and a democratic government, it is the equal disposition of taxes to the public. There is nothing in this statute from a policy point of view that conveys that, because in my own riding a company from the United States was dispensed of $800,000 worth of tax. Who dispensed them of that? The Treasurer and, of course, his advisers.

Maybe they did it in good conscience, and maybe it was worthwhile. I don't know. I am not prepared to say that. I am not prepared to say that I didn't want that dispensation effected. I am prepared to say this to you, though. I am not prepared, as a member elected by the public, to let the public servants or any ministers of government in a very discretionary and arbitrary fashion, outside the ambit of the criteria that they established themselves, to come to these conclusions. We can't do that.

What do you think the people would think of us if we say we will make our decision on whom the tax is imposed and on whom it is not imposed? Taxes aren't developed for that purpose. If the purpose of taxes is to resist land speculation, let's develop policies that will resist land speculation. If the purpose of taxes, Mr. Chairman, is to stop foreign control of land, let's stop foreign control of land by policy and legislation.

I say this to you without reservation, let's not leave it to a group of public servants or ministers sequestered in some room, to make some subjective evaluation as to whether taxes should be imposed upon one citizen or not upon another citizen. That is not right. It never will be right. And that is what we have done. I tell you what we have done. We have done this, Mr. Chairman, on the basis of the budget speech that he made.

I want to say this to you. He misled the Canadian Club at New York in respect to those criteria, none of which have been adopted by this government—not on one occasion. I have invited him to get up now and tell me I am wrong. Not once in connection with the exemptions that he has given to the foreign companies in taking over control, not once have these criteria been adopted. Not only did he mislead the Canadian Club, but he misled this House. And I want to say to you that I am within the parliamentary rules.

Hon. Mr. Grossman: It is unparliamentary.

Mr. Bullbrook: I am saying to you that I am within the parliamentary rules because he didn't intend to mislead this House. He didn't know better.

Mr. Chairman: The hon. member for Sarnia has made a statement that the hon. minister misled the House. I think that he should take that back.

Mr. Foulds: Unknowingly.

Mr. Chairman: I think it is very unparliamentary that any member makes a statement that the minister misled the House.

Mr. Bullbrook: You shouldn't do this to yourself, really, because you are going to divide the House.

Mr. Shulman: He has done that 20 times tonight.

Mr. Bullbrook: If you think for one moment that I am going to retract what I just said, just get away from it, because don't you understand that I just said, "He misled the House. He didn't know he was misleading the House; he didn't know any better." Now, if you think that's unparliamentary, I want to say to you, sir, that if you are demanding that I retract that, I just can't retract it because it's a stated fact substantiated by the circumstances.

Just this afternoon he said that he made a guess, you recall, in answer to my question. The Treasurer, who is responsible for $8 billion of budgeted expenditure—and one would hope budgeted on the premise of revenues—agreed that he had guessed, and the guess was 8,000 per cent wrong. That's what he said. Now, if you want me to retract that, I can't retract it.

I say to you that I have too much respect for you, Mr. Chairman, to challenge what you say. Please reconsider the fact that I am not suggesting that he overtly misled the

House; I'm saying that he didn't know any better. We all know he didn't know any better; he just didn't know any better, that's all. He said he guessed—right? He guessed. Now I ask for your ruling.

Mr. Chairman: Well, what the chairman heard in the first place was that he accused the minister of misleading the House. Then after I made the statement that it was unparliamentary to say that the minister was misleading the House, you had some different version of what you said in the first place. Shall we let it stand as it is and let the minister speak for himself?

Hon. Mr. Grossman: He withdrew it, in other words.

Mr. Bullbrook: I am very much appreciative of your indulgence. I am very much concerned about this whole issue. I, of course, disagree with the provincial secretary for whatever he does, saying that I withdrew it—I didn't withdraw it. I am interested in what the provincial secretary does, really. That's a digression—I shouldn't give into it.

Hon. Mr. Grossman: I don't speak when I have nothing to say—let's put it that way.

Mr. Bullbrook: No, that is true. It keeps you silent most of the time, really.

Hon. Mr. Grossman: It might be better if you did likewise. What vote is this on, Mr. Chairman?

Mr. Bullbrook: If you weren't involved with your responsibilities, you'd never have anything to say. Today the House leader, the Chairman of the Management Board, talked about saving money. God, what a way he could save money by dispensing with your job, because you do nothing. In any event, let's not be deflected for a moment. I don't know what the House leader said; I'm really not interested, because of course there really is no greater lack of talent in the whole place than the House leader.

In any event, I don't want to be deflected, I wanted to use this as an example of the fact that the Treasurer—my leader just mentioned it a moment ago—stood in his place today and talked about intellectual dishonesty. There never was a greater example of that than the Treasurer's response to the member for High Park just a moment ago when he said in effect that we've got more money coming in—

Hon. Mr. White: Your leader had the greatest of blush and quite rightly so.

Mr. R. F. Nixon: I am always embarrassed in your presence.

Mr. Bullbrook: —that we've got more money coming in than we have going out.

Mr. Shulman: This is scary.

Mr. Bullbrook: This is the type of intellectual dishonesty on which that speech, and almost every other speech made by the Treasurer, is based. The interesting thing, as is the situation with most of the frontbenchers on the government side, is that when you touch them closely they don't want to listen. The fact of the matter is that when I came in here in 1967 the budget of Ontario was $2.4 billion—

Hon. Mr. White: And Ross Whicher was crying, "The sky is falling."

Mr. Bullbrook: This year, it approaches $8 billion—and there is a contemplated deficit of $800 million. The deficit alone this year is a third of the total budget that confronted the elected people only seven years ago.

Mr. Shulman: But he denies there is a deficit.

Mr. Breithaupt: That's right.

Mr. Bullbrook: Mr. Chairman, we can talk all day, but I think the prime consideration of the people of Ontario right now is the question of inflation. I think it is also a concern of the federal government.

The member for High Park has said he's getting out. The Treasurer is getting out. There is a triumvirate; I'm leaving too. I've enjoyed it very much, but I'm not going to run again. One of the prime reasons I am not going to run again—and I make no bones about it—is the fact that the legislative process has changed completely. Tonight, for example, we are dealing with the Treasurer's estimates—the essence of digesting the expenditure of $8 billion—and what have we got in the House? We have three cabinet ministers. There is nothing new in this.

Mr. Cassidy: There are some who will leave voluntarily and some who won't.

Hon. Mr. Grossman: Mr. Chairman, I rise to a point of order. The hon. member has made some reference to the fact that at this moment there are only three cabinet ministers in the House, and a few moments ago he said something about us not listening when he's speaking. Half of his caucus, sitting in seats behind him, are reading newspapers. Let that be recorded.

Mr. Breithaupt: Speaking to that point of order, Mr. Chairman—

Hon. Mr. White: And there are other cabinet ministers in the standing committee.

Mr. Breithaupt: I'm quite sure that the point of order is valid, and of course, we could very quickly call for a quorum count in the House. If such were the case, I think it would be apparent that there are perhaps some dozen or so members of the government side present, some six members of the NDP and some nine or 10 members of the opposition present.

Hon. Mr. Grossman: Your member made the reference there is nobody listening. We are the only ones who are really listening.

Mr. Breithaupt: I rather doubt that the minister is listening all that closely—

Hon. Mr. Grossman: We gave him full attention.

Mr. Shulman: Your Treasurer is not listening.

Mr. Breithaupt: —because if you were listening, you would change the things that were going on; and if you weren't listening, you'd carry on the way you are.

Mr. Chairman: The hon. member for Kitchener has no point of order.

Mr. Breithaupt: But it was the minister's point of order to which I was speaking, Mr. Chairman, not my own. If I didn't have one, he certainly didn't.

Mr. Chairman: There is well over a quorum here.

Hon. Mr. Grossman: Well, you dropped your paper anyway.

Mr. Bullbrook: I don't want to speak to the point of order by the provincial secretary, but I want to tell the hon. member for St. Andrew-St. Patrick—and this is no intellectual dishonesty—that I really do not know what he is secretary of. I think it is social development—I think it is.

Hon. Mr. Grossman: I don't care whether you know or not. I couldn't care less whether you know. That is probably why the hon. member is leaving. He doesn't know a lot of things.

Mr. Bullbrook: I'm not asking whether you care. Would you understand for a moment that I'm just telling you I don't know and many people don't know.

Mr. Cassidy: He has a monumental impact on the province.

Hon. Mr. Grossman: All fury and no sense. Why don't you say something? A lot of noise.

Mr. Bullbrook: The tragedy—

Mr. Shulman: He has said a lot of sense tonight.

Mr. Bullbrook: If I may, Mr. Chairman, the tragedy of this whole exercise, when we hear that—

Hon. Mr. Grossman: You are wasting the time of this House.

Mr. Chairman: Order. The member for Sarnia has the floor. Let him speak.

Hon. Mr. Grossman: He is not on the vote.

Mr. Bullbrook: When we heard the House leader speaking this afternoon—and I think this is referable to the vote, because it has to do with the Treasurer's estimate; that is, the expenditure of public funds which are involved in revenue. When we hear him saying, "We are going to hold the line," then surely we must of necessity, as a matter of logic, say to ourselves: "Aren't there methods of holding the line?" And this is why you come to mind immediately. Like night to day, it comes to mind. It really does.

But I want to get back on the point, because really you are significantly insignificant. You have no function at all.

Mr. Chairman: Order. Order, please.

Mr. Bullbrook: You used to play the court jester; and you don't any more. The fact is, Mr. Chairman—

Mr. Chairman: Will the member for Sarnia get back on vote 1001?

Mr. Bullbrook: Mr. Chairman, I wonder whether you would know the difference. But in any event, may I say this to you, Mr. Chairman: I was trying to outline, for example, just one example of a speech made of complete intellectual dishonesty. You see, I can't be asked to retract that because the Treasurer accused my leader of that this afternoon, and the Speaker didn't ask him to retract.

It's intellectual dishonesty when the Treasurer speaks to a group of businessmen in

New York and says: "Those are the criteria that we will establish in connection with the resolution of our decision with respect to exemptions under this tax."

I invite him now to interrupt me and give me one example where those criteria were—all right, one example where every criterion was met; the creation of new employment—

Hon. Mr. White: Mr. Speaker, I have in my hand the speech in New York—

Mr. Bullbrook: I don't yield. Sir, I don't yield. Now wait.

Hon. Mr. White: —and I would like to read the wording of the paragraph on which these allegations are based.

Mr. Bullbrook: Mr. Chairman—

Hon. Mr. White: I ask the members here in their fairness—

Mr. Bullbrook: Mr. Chairman, I don't care one tittle about the members and their fairness. I don't yield unless he is going to give me one example—

Mr. Shulman: He can't give you an example. There isn't one.

Mr. Bullbrook: I yield if he will give me one example of where the discretion was exercised where those criteria were met—one example. Other than that, I don't want any speech. Oh, no, not a quotation from that speech.

Mr. Chairman: The member for Sarnia has asked the minister to give him an answer.

Hon. Mr. White: Homes Insulation—

Mr. Bullbrook: Mr. Chairman, I want an undertaking from you that he is going to give you an example where the three criteria were all accepted and all fulfilled in connection with the exercise of the exemption. Would you ask if he is going to give you that?

Hon. Mr. White: Homes Insulation—

Mr. Bullbrook: No, I don't yield. I don't yield.

Mr. Chairman: Will the minister—

Hon. Mr. White: Is the—

Mr. Bullbrook: Mr. Chairman, I do not yield. I don't yield.

Mr. Chairman: If the minister doesn't have a reply then the member for Sarnia wants to carry on.

Mr. Bullbrook: The fact of the matter is he began with the words "Homes Insulation." Homes Insulation was the acquisition by Babcock & Wilcox—right?—of United States Homes Insulation, a principle asset of John Blund. He had gone to the federal government and cried to the Foreign Investment Review Board and he must, of necessity, have co-operation. And of course, they are just as bad as you people are; just as bad. You are two birds of a feather, all the time. He got the higher-ups to agree with that.

You see, as the minister went along in his New York speech he talked about the acquisition of Homes Insulation and he said, "It protected the continuity of employment." That's what he said.

Of course it didn't create any new employment. It didn't create technical research. Of course, what it did was to acquire property in the highest capital outlay area—not just in the Province of Ontario—in the Dominion of Canada. Do you think you need a new industry in Sarnia? You need it like you need a hole in the head. We have got a half a billion dollars worth of industry going on in Sarnia. You don't need an American company coming in to acquire Homes Insulation. Read his speech. That's what he was going to get up to tell you. He was going to read the end of his speech saying it would protect employment. It wouldn't protect employment one tittle. You dealt with one of the greatest pirates of business in our area, who wanted to effectuate a significant gain and leave the country, in effect, for new and other adventures.

That's what Blund wanted to do. He wanted to get out of the business. He was strapped for cash. That's all it was. And of course you just went to bed with him. This is the point I made in my comments this afternoon. This is the invitation to disaster that that type of subjective discretion gives. You say to a person, "You don't have to pay $800,000 worth of tax." What happens when you go to him at the next election and say, "Would you like to make a contribution to our party?"

Mr. R. F. Nixon: He is lined up.

Mr. Bullbrook: Lined up is right. Johnson & Johnson in Guelph are lined up for $200,000. One after another they are lining them up. The whole aspect of that type of tax is nothing but a charade, a revolting enterprise as far as the public is concerned.

Hon. Mr. White: Look at the minister.

Mr. Bullbrook: I look at the minister because of the fact that the minister has one of the finest public servants as his deputy, and he is subjecting that man to the administration of that type of partisan, political opportunism. That's all it is.

I use that as an example to show that your popped-up buffoonery, when you get up here in the House saying, "I love eastern Ontario. Oh, it is a grand part of the province. And I love western Ontario," doesn't fool us for one moment. The fact is, you are the architect of nothing. The greatest thing you are the architect of is a lack of combating the inflationary tendencies of our economy. And you want to get up in your place with your colleagues spread across that House and say it is the fault of the federal government.

I am the first to join you. I would like a little more initiative on the part of the federal government. But I invite the subject. I have no personal or professional respect for the Treasurer, none whatever, Mr. Chairman. But you are in power and I'm not. I am getting sick and tired of the involvement I have with Community and Social Services.

Hon. Mr. White: Come off it.

Mr. Bullbrook: I am getting sick and tired —I don't know whether other members are— of people on fixed incomes coming to me and saying, "I just can't live on this." I am saying to you: "Fine, you fight the federal government. You act as a burr under their saddle, you act as a catalyst and we will be behind you." We don't act as Boswell to their Johnson, and my leader will be the first one to say that we don't and we never will.

But you begin something. You stop the deficit financing that has a tremendous inflationary tendency. You stop the stupid administration of programmes like the drug eligibility programme, where people, because of the stupidity of administration—not said by me, but said by the people in your Ministry of Health—saying it was promulgated too quickly. It was an exercise in futility before it began.

Surely to goodness you must have people come into your office as I do, saying, "Mr. Bullbrook, my druggist will not fill this prescription and I must have it." You phone the druggist, and this has exactly to do with what we are talking about—the expenditure of a million dollars of public funds foolishly. Surely to goodness the GAINS programme and the drug eligibility programme were meritorious in concept. But of course what you do is just throw the money away for the purpose of straight political advantage.

I am concerned about the inflationary tendencies on my constituents of fixed income. I will be out of here in another year. My responsibility will be finished, but I wonder when you get up and laugh at the sincerity of our comments and our questions, whether you are involved with this or whether you have some executive assistant who is involved with it.

The time has come when we'd better have some straight talk from you. What programmes are you eliciting now in connection with spiking inflation? What are you going to do in connection with the Province of Ontario? I'm no expert—I'm a small-town lawyer —I don't know my economics from second base. I don't. But I am the very first one to admit it. But as I am responsive to what I read, I would think that something should be done in connection with the question of credit buying. I think that is essential. I think something should be done in connection with the field of compulsory saving. It seems to me that is essential.

Mr. E. M. Havrot (Timiskaming): Talk to Pierre in Ottawa.

Mr. Bullbrook: And it doesn't have to be done in Ottawa. We can lead the way. If we pride ourselves here on being the richest province and the most progressive province— and we are—

Mr. Breithaupt: We usually do.

Mr. Bullbrook: —surely to goodness we can be rich and progressive in connection with the fight on inflation. I invite consideration of something from a small-town lawyer. Why not a compulsory savings programme, for example? Why not a surcharge on the provincial income tax in connection with people who pay a tax in excess of $1,000, a 10 per cent surcharge of compulsory savings at a guaranteed rate to be used for houses? Just a thought. I don't know whether it would work. I have no idea. But it seems to me that if a person is going to pay $1,000 worth of tax, it is not—

Mr. Shulman: Sure it would work.

Mr. Bullbrook: —not an undue—

Mr. Havrot: I don't know what he is saying but it sounds good.

Mr. Bullbrook: Oh God, if that fellow would only shut up over there. He makes no contribution to this House—the member from

Kirkland Lake—none whatever. But in any event—

Mr. Havrot: I make my contribution to my constituents.

Mr. Bullbrook: I want to say to you I am very sincere in this. I ask because you hold yourself out—

Mr. Cassidy: Your best contribution to your riding is running outside of it.

Mr. Bullbrook: Your moment, if there are moments of vainglory involved with you, and we all have them, is when you talk about your dealings as a professor of economics. So help me, it seemed to me that from what I understand, one of the necessities is basically a retrenchment of spending.

And I ask you to consider the question of some type of restraint in connection with credit buying. I don't have to be an economist to realize that it can't be a carte blanche restraint. It can't. For example, all industry, basically, is dependent, under our economic system, so much upon credit buying. I'm not asking for that. But give us some invitation. Make us stop listening to radio commercials that say to people, "If you want to buy a new car tomorrow, come on in to Trans Canada Credit and we will give you whatever you want." These are things we talked about years ago. And we now start to say to ourselves having regard to the situation economically, is this really appropriate?

But I want to ask you, as an economist so-called—and I don't mean that in a derogatory way because I don't really know whether you are an economist or not—I want to ask you really from what I understand. I think it is really essential that government guide and government lead. We no longer can get into phoney baloneys about speeches to the Canadian businessmen in New York. It has no essence of purpose, no integrity of purpose, no foundation in fact.

What we need now from the Treasurer is for him to get up and say, "People of Ontario, we are going to begin. Trudeau doesn't want to begin. Turner doesn't want to begin. We'll begin. We say to you this is what has to be done; we will tighten our belts." Not with platitudes about holding the public service at the level that it is—that really doesn't answer the question, you know it doesn't. How much of the gross provincial product is paid for the public service? Perhaps too much. But holding it at that level isn't the answer.

I invite your consideration of something like a compulsory type of saving programme that would fund the housing that is needed in this province.

I say to you, through the chairman, that I am vitally concerned with the older people who come in to me. I think frankly in all sensitivity you would be. I don't know whether you are dealing with them now or whether your executive assistant does. But we as individual members deal with them day in and day out. They come in and they can't make it. They can't make it. And this becomes a question of public responsibility.

But I am vitally concerned about another group of society, that is those young people who are just starting to build their families. The Prime Minister of Canada promised them $500 and I want to say to you that I think—

Mr. Havrot: It was just a promise.

Mr. Bullbrook: —his response in the House—

Mr. R. S. Smith (Nipissing): Quiet, Eddie.

Mr. Bullbrook: —to a question from the opposition in connection with this responsibility was not only facetious, it almost was vexatious. We all must feel that.

It might come, I imagine it will come, because it was a promise, but it is a promise of proximate need and it is a promise that is needed by these people now and you can't give them that old "in due course" platitude. The people need it now, and housing is a tremendous difficulty.

The Treasurer has been a businessman, he says, all his life. I say to him, knowing his background, that he and I, I think, have been well blessed in this respect, that we can look back upon the earlier years of our marriage and say that we were able to acquire a home, and to have our family, but they can't do it any more, they can't. They can't do it from the point of view of acquiring the necessary equity. To acquire the real property they can't possibly contemplate at these present interest rates the burden that would last 50 and 60 years. Surely we have got a responsibility there. It is not too much to ask.

I close in saying this to the minister. This is all I wanted to give the minister really. I wanted to give the minister the comment that I think some of your speeches really beggar our credulity. You send them to us and then you say this afternoon, "Do you read my speeches?" Sure we read your

speeches. What do you think we are here for?

Does he think this is some game, Mr. Chairman? This is no game. I read your speeches, and I want to believe in your intellectual honesty. I want to believe that you feel the same as I do. Let's stop the gamesmanship here. We are not on one side and the minister on the other and he is trying to make the minister look good one hour and us look bad the next. It has got to stop.

The minister is the Treasurer. Let's stop the games. Tell us how you are going to try to combat inflation. Tell us about what the minister is going to do to assist the people of the province. Don't let me have to get on your back about this kind of really inherent stupidity, this type of fooling the public, because it really doesn't. In the long run you know it doesn't.

We want you to succeed. We applaud every day that the land speculation tax is effective. We applaud every day that the land transfer tax is effective. We applaud that. If the minister came in and sat in that place and said to us, "I made a mistake in the concept that I had in connection with the revenues that might be available, but I am very proud of that," then fine, we would have accepted that, but instead, of course, you go outside this House and you try to rationalize the response to our comments in connection with it.

I am basically not interested in the reply with respect to the land speculation tax. I want to say that has been, Mr. Chairman, a consummate disaster.

Hon. Mr. White: You have given me a lot of freedom.

Mr. Bullbrook: Mr. Chairman, that has been a consummate disaster.

Hon. Mr. White: I hope you will give me about three minutes to reply to this tirade?

Mr. Bullbrook: Yes, certainly, you have ample time.

Mr. Turner: You just said it worked.

Mr. Bullbrook: Those taxes have been a consummate disaster from the time that the Treasurer stood in his place and put a burden upon the Minister of Revenue to rationalize, over seven weeks, how those taxes would work. The fact of the matter is that they haven't worked.

I don't want a response to that. If you want to make a response, fine. If you want to play the game, fine. If you want to continue that type of game, fine. That is a two-way street, we can play it all day. If you want to get to one-upmanship when I sit down, if you want to get up, fine.

I ask you this—

Hon. Mr. White: I would like to reply to you. Give me five minutes. Just give me five minutes.

Mr. Bullbrook: I very seldom make speeches of length, now. I don't.

Mr. Havrot: You should sit down after that contribution.

Mr. Bullbrook: I wanted to talk about egg marketing tonight, but I couldn't get on to it. But I want to say that to the minister if I may. I am very, very interested if the minister would tell me—and let's not talk about Moody's three-star because Moody's three-star, whether you like it or not, is based on two things.

Mr. F. Drea (Scarborough Centre): Don't you invest in it?

Mr. Bullbrook: Moody's three-star is based on two things basically.

Mr. Drea: How about your clients?

Mr. Bullbrook: And you don't have to be an economist either. Do you know what it is based on? The tremendous advancement that the government made in connection with the provision of hydro-electric and other electrical power. That is the first thing.

Mr. Drea: Hepburn wanted to sell it.

Mr. R. G. Eaton (Middlesex South): Which you fellows opposed.

Mr. Bullbrook: All right, that's the first thing. The second thing is the basic resources that this province has, and the third thing is the confidence that really any government could administer that without any difficulty at all. That's how you got the Moody's three-star. There's no difficulty there at all. So let's get off Moody's three-star. My goodness gracious, we've been indulging in it 10 times this afternoon and tonight.

Just tell us this. Tell us how you're prepared—which should be your essential responsibility—to protect the people of Ontario as best you can from the inflationary tendencies. And don't tell us how the federal government should do it.

Mr. Shulman: He won't even admit there is a problem.

Mr. Bullbrook: Tell us, if you can, what you have in mind for these people.

Hon. Mr. White: Mr. Chairman, there are nine points made, I think, by the hon. member. I can run through them in about five minutes. He said the criteria on a transfer tax had never been met. And he emphasized how he read my speeches. In point of fact, he misread my speeches. On page 12 of the speech in question it reads as follows:

> In determining whether a land purchase is of significant benefit to the province the government is guided by various criteria, such as: whether the purchase will result in the creation of new employment where this is desirable; whether it will increase exports or replacements for imports; whether it will bring about development in northern or eastern Ontario where economic growth is slow; or whether it will somehow contribute to the province's technological capacity.

So "or" is implied between each of these phrases and there hasn't been a single exemption made that didn't meet one of these criteria.

Mr. Bullbrook: Tell us about that. What did they mean?

Hon. Mr. White: In the case of Homes Insulation, a Sarnia company called Homes Insulation was sold to a US firm, Babcock & Wilcox. In this case the purchaser was granted exemption because the purchase would preserve 100 jobs. The Homes company was going to close down its plant.

Mr. Bullbrook: It didn't create new jobs, though.

Hon. Mr. White: The purchasing company also intends to introduce new lines of products for export. So I have met two of the criteria.

Mr. Bullbrook: It didn't meet any of them —don't you understand?

Hon. Mr. White: Now, in the matter of returns from the land speculation tax and the wording used by me earlier today, which was "educated guess," I now quote from the budget statement on page 7 under the heading: "Land Speculation Tax." It says: "The success of this speculation tax will be inversely related to its revenue field."

Mr. Bullbrook: My God. Don't you realize we agreed to that?

Hon. Mr. White: "The smaller the revenue the greater the desire to impact on curbing speculation. For this fiscal year the revenue yield from the speculation tax can be little more than a rough estimate."

The Minister of Revenue put these bills through because starting in 1968, when I myself became Minister of Revenue, there having been no separate minister previously, the Treasurer, Charlie MacNaughton, having borne both the Treasury and Revenue responsibilities, it was decided by the government that the Minister of Revenue, as in other jurisdictions, including, I'm quite sure, Ottawa and Westminster, should take the bills through after the Treasurer's budget statement. Now, I did that in each of the years that I was the Minister of Revenue myself.

Two years ago I came in with some dramatic and complicated new policy changes—such as the energy tax, if you will. At that time the Minister of Revenue and I sat down and we decided that in those circumstances it would be appropriate if the Treasurer took the tax and bills through as, indeed, I did.

Now, this past spring I said to the new Minister of Revenue: "Do you want to take these bills through as I used to do as Minister of Revenue, or would you rather I took them through as, indeed, I did in April, 1973?" He said: "I would like to take the bills through." That's the way it was and I'm sure he'll confirm it, if you wish.

We haven't got a cash deficit this year. We have a cash surplus of $336 million which I have enumerated here half a dozen times today. I listened to my hon. friend suggest a compulsory saving through the PIT and I remind him once again—

Mr. Shulman: You can't believe that.

Hon. Mr. White: —that the personal income tax is the exclusive preserve, in respect to structure and conditions, of the federal government. We did indeed have credit controls.

Mr. Bullbrook: No, it's not. Don't mislead the House. It's not.

Hon. Mr. White: We had federal credit control in World War II. We had federal credit controls in the Korean War. Yes, they did work and yes, Mr. Turner should consider them.

I'm not going to take a back seat to my hon. friend about old people. I've had the oldest and largest critic in this province

starting before he even thought of running for this Legislature in 1960.

Now, the reference to a three-star designation are most unfortunate. He may be thinking of three stars by Michelin or Seagram's Three Star. We have a triple A rating because, as the Wall Street Journal said, we have "sound financial conditions; well-managed debt."

Mr. Bullbrook: What about inflation? Not a word about inflation in the whole speech.

Mr. Chairman: Order, please.

Mrs. M. Campbell (St. George): Not a word about inflation; not a word.

Hon. Mr. White: One more moment. What we are doing about inflation is contained in this document, called "The Ontario Budget Statement," all of which deals with the subject of inflation. And I will send a copy to the hon. member.

Mr. Shulman: Not a word in there.

Hon. Mr. Winkler moves the committee rise and report.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of suppy begs to report progress and asks for leave to sit again.

Report agreed to.

Hon. E. A. Winkler (Chairman Management Board of Cabinet): Mr. Speaker. before I move the adjournment of the House I would like to say that on Thursday we will deal with the Ministry of Consumer and Commercial Relations.

Hon. Mr. Winkler moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10:30 o'clock, p.m.

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Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Ninth Legislature

Thursday, October 24, 1974

Afternoon Session

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

THE QUEEN'S PRINTER
PARLIAMENT BUILDINGS, TORONTO
1974

10

Price per session, $10.00. Address, Clerk of the House, Parliament Bldgs., Toronto

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, OCTOBER 24, 1974

The House met at 2 o'clock, p.m.

Prayers.

Mr. Speaker: Statements by the ministry.

CNE TRANSIT DEMONSTRATION SYSTEM

Hon. J. R. Rhodes (Minister of Transportation and Communications): Mr. Speaker, on May 21, 1974, I indicated to the hon. members of this Legislature that I had requested the staff of the Ministry of Transportation and Communications to undertake a design review of the transit demonstration system guideway and station designs due to the fact that the costs of the civil engineering portion of the work had risen substantially from the previous estimates that had been provided to us.

This review was to be conducted in conjunction with Krauss-Maffei and the civil engineering design consultants. The review was carried out and during the latter part of September revised contracts were advertised for the civil engineering portion of the project. The first of the tenders for those contracts were received and opened at my ministry's offices in Downsview yesterday.

The members will recall that the previous low bid for the guideway structure was $10,263,163. The results of the competition opened yesterday were as follows: The low bid was from KVN for $5,886,369. The other bids from C.A. Pitts Ltd. and Dufferin Construction were $7,255,195 and $8,894,705 respectively. The low bid is $4,376,791 lower than the previous low bid.

As the members will recall, I indicated that we would conduct a design review and re-tender all of the civil engineering contracts, including the station and maintenance buildings, and that upon completion of this re-tendering I would review the complete status of the cost of the GO Urban programme.

Mr. Speaker, I would like to indicate today that I'm greatly encouraged by the sizable reduction in costs of that portion of the redesign now tendered. We have yet to receive the tenders for the various stations, the maintenance building and the command-and-control centre. These tenders are expected in the next few weeks. When they are received I will be able to complete my review of the costs of this project.

SOLID WASTE DISPOSAL

Hon. W. Newman (Minister of the Environment): Mr. Speaker, I wish to announce major new policy initiatives for the reclamation of resources and the preservation and improvement of the quality of our environment. The measures being announced today constitute a co-ordinated and comprehensive package which will put Ontario well ahead of any jurisdiction in the world in resource reclamation and control of solid waste.

Mr. S. Lewis (Scarborough West): Who writes the minister's stuff?

Hon. W. Newman: I did.

Mr. I. Deans (Wentworth): What is the minister trying to tell us? There is a message there somewhere.

Mr. Speaker: Order, please.

Mr. Lewis: Why is Arthur Wishart smiling under the gallery?

Hon. W. Newman: Because he likes it.

Hon. A. Grossman (Provincial Secretary for Resources Development): Because he is happy with the whole thing.

Hon. W. Newman: Historically, solid waste disposal has been a municipal responsibility met mainly by landfill sites. Just over three years ago, the province moved to control landfill sites and to set standards for their use. In 1971 there were over 2,100 such sites, of which only 10 per cent were considered satisfactory; today there are 1,600 sites, of which over 65 per cent are considered satisfactory.

In large areas of the province sanitary landfill is not yet a problem, but in Metropolitan Toronto and a few other municipalities it is becoming a serious problem not

only because of the loss of resources but because potential landfill sites can often be found only in rural areas.

Mr. E. R. Good (Waterloo North): The government is encouraging more people to come all the time.

Hon. W. Newman: Naturally, there is an understandable reluctance for these areas to want to become the repository of other people's garbage.

It is foolhardy to think that landfill sites can be eliminated completely. What we can do, however, is reduce the amount of waste per capita which needs to end up in these sites.

An hon. member: Waste not, want not.

Mr. J. F. Foulds (Port Arthur): Start by cancelling press releases like this one.

Hon. W. Newman: This is a vital objective of the programme being announced today. In our study of solid waste problems we have come to the following preliminary conclusions:

First, our own experience and that of other jurisdictions has convinced us that recycling and reclamation is basic to conserving resources and to reducing the dependence on landfill sites.

Mr. Lewis: Now, there is a discovery. That is quite a conclusion for a whole ministry to come to.

Hon. W. Newman: We have also concluded that effective solid waste disposal should be a co-operative effort combining the talent, experience and resources of the private sector—both business and labour—and government—municipal, and provincial.

Mr. J. A. Renwick (Riverdale): Does he know he is saying absolutely nothing? It is just words.

Hon. Mr. Grossman: Wait for the climax.

Hon. W. Newman: It is on these principles, Mr. Speaker, that the following eight-part programme is based.

The Ontario government will lead and support the establishment of a comprehensive network of resource reclamation and waste processing plants throughout the major populated areas of Ontario, to be substantially completed over the next 15 years. Specifically, the province proposes to meet the critical needs of some of the major urban areas immediately.

Mr. E. Sargent (Grey-Bruce): How much money are you going to spend?

Hon. W. Newman: Six waste processing plants will be established as soon as possible, one each in London, Kingston, Sudbury, Peel-Halton, Metropolitan Toronto and the Peel-Metropolitan Toronto area.

We are ready to begin discussions with these municipalities immediately on the planning and development of the waste processing plants and systems to meet their particular needs. The plants will vary in capacity from 200 to 1,000 tons per day and initially will involve such primary processes as shredding of solid waste to uniform size, magnetic separation of metal objects and, in some cases, what is called "air classification" to separate the remaining wastes into two broad groups: (a) paper and light plastics, and (b) non-ferrous metals, glass, organic waste and plastics.

The estimated $17 million cost will be provided initially by the province with 50 per cent to be recovered from the municipalities over a 40-year period in addition to a standard "user charge" per ton of waste processed at the plants.

Since some of the plants, even initially, will serve more than one municipality, the province will retain ownership to ensure that their design and operation are compatible with the comprehensive provincial programme, and to facilitate the co-ordination and development of markets for reclaimed materials.

Mr. R. Haggerty (Welland South): More civil servants.

Hon. W. Newman: Between now and 1980, waste management systems will be improved by the systematic replacement of small landfill disposal sites with solid waste transfer stations.

Mr. Sargent: How about waste management in Queen's Park?

Hon. W. Newman: In addition, a financial assistance programme to help small municipalities implement waste management improvements will be implemented through the Ministry of the Environment.

Between 1980 and 1985, a network of transfer stations and transportation facilities will be in place throughout much of the province and additional primary processing plants can then be established. Between 1985 and 1990 it will be possible to complete the programme by the installation of complete resource recovery processes, serving 90 per cent

of the population of the province, and reducing our landfill requirements on a per capita basis by more than 80 per cent.

At municipal option, day-to-day operation of the plants will be provided by municipal employees or by the private sector under contract. In either event, managment coordinating committees will be set up in each area which will include representatives of each municipality utilizing a plant.

Discussions will also be initiated with private waste management companies and with the recycling industry regarding their participation in this programme.

The province will establish within the coming weeks an Ontario Waste Management Advisory Board whose main responsibility will be to recommend ways to reduce the volume of waste and litter produced and, through packaging and product design improvement, to facilitate recycling and reclamation.

No other jurisdiction has yet approached the problem of solid waste management on the scale being proposed, although some have made partial forays to deal with specific aspects.

These then, Mr. Speaker, are the main elements of an imaginative and comprehensive programme for resource reclamation and solid waste control which I want to make known to the House. Other aspects will be announced as our plans develop in concert with interested parties.

Mr. Speaker: Oral questions.

SOLID WASTE DISPOSAL

Mr. R. F. Nixon (Leader of the Opposition): I would like to ask the Minister of the Environment, Mr. Speaker, why he didn't append at least one parargaph to that statement which would indicate what the effect would be on Hope township and the other areas which are wondering what the government decision is going to be with regard to dumping solid waste on their properties? Maple is another area, and Pickering. There have been statements made during the recess of the House but none of them definitive. Is the minister now in a position to say that with these imaginative, brave initiatives those people are going to be relieved of the responsibility of being the receivers of Metro garbage?

Hon. W. Newman: At this point in time we are talking about various sites. As you know, the Liverpool Rd. site in Pickering has been approved by the ministry as a sanitary landfill site. Hope is still under discussion at this point in time, and, of course, the other applications the member is talking about are still not in the hands of the Environmental Hearing Board, I understand.

Mr. R. F. Nixon: Supplementary—

Hon. W. Newman: May I finish answering the question? This process of garbage disposal will reduce it 20 per cent by weight and 40 per cent by volume. It will also mean that in the sanitary landfill sites we will have a product on which we will not need so much landfill daily, and that will extend the use of any sites that are now in existence once this process gets into being.

Mr. R. F. Nixon: Specifically on the Hope township application by the CPR, Mr. Speaker, would the Minister tell us, since all the hearings have been held and the information has been before the minister and his advisers for months, why a decision couldn't be made; particularly if he is prepared to go forward with this statement, which he considers to be an important one, leading, as it does, to the substantial reduction in the waste that many people thought would ultimately make the Hope township site a necessity?

Hon. W. Newman: Well as far as that site is concerned, as I said before we did some bore testing on the site and we still are evaluating that testing. Also, I believe negotiations are now going on between the municipalities down there themselves.

Mr. Speaker: Supplementary; the hon. member for Scarborough West.

Mr. Lewis: I want to ask the minister, if in fact this process leads to a 40 per cent reduction in volume, and if it is staged in as he specifically described it today, what conceivable justification can he have, other than destruction of the environment and profit for the CPR, to approve or even contemplate further the Hope township site?

Hon. W. Newman: Maybe the member is not aware of the facts. As far as Metro is concerned, it is now producing about 1.7 million tons of garbage per year.

Mr. Lewis: And the Pickering site picks up the difference. They don't need Hope township and the minister has indicated that today.

Hon. W. Newman: If these plants will be coming onstream, but it will mean a lot of

negotiating with the municipalities to get them going, we hope we can get on with negotiations right away and get started in building these plants. But certainly it is going to take at least a year or more to get these plants into position.

Mr. Lewis: That's fine.

Hon. W. Newman: So that in the meantime we still need sanitary landfill sites; the expected lifetime of the Liverpool site and the facilities Metro has now are limited.

Mr. Lewis: It is seven years minimum, 10 years probable.

Hon. W. Newman: That's nonsense; pure and utter nonsense.

Mr. Speaker: Supplementary; the hon. member for Downsview.

Mr. Lewis: Ten years, and look what is going to be done.

Mr. Speaker: Order please; the member for Downsview with a supplementary.

Mr. V. M. Singer (Downsview): Would the minister care to hazard a guess as to how long this world-leading scheme will take to bring some relief to the Metropolitan Toronto garbage situation, where there are 1.7 million tons a year.

Hon. W. Newman: I didn't hear what the member called the scheme, but I think it is a good one. I didn't hear what he called it.

Mr. Singer: How long is it going to take until some change has been effected in Metropolitan Toronto so that Metropolitan Toronto can in some way count on this new plan to alleviate its present very serious problem?

Hon. W. Newman: Well, we will be having negotiations with Metro Toronto and with Halton-Peel. We will be starting negotiations with them very soon, for instance on the size of plant, the location of plant, what processes they want to put into the plant. We will be doing it by consultation with the municipality, and as soon as we have consummated some sort of an understanding with the municipalities, there is no reason why we can't move ahead.

The process I am talking about here, the technology, is well known.

Mr. M. Cassidy (Ottawa Centre): Give it to us in months.

Mr. Singer: How long is that going to be? Is it going to be 24 months, 36 months, 48 months?

Hon. W. Newman: I cannot tell the House how long negotiations will take, but from start to finish of building one of these plants, provided we can get the materials, we are talking about a year.

Mr. Singer: When is the minister going to start to build one in Metro?

Hon. W. Newman: As soon as we finish the negotiations.

Mr. Speaker: The hon. member for Ottawa Centre with a supplementary.

Mr. Cassidy: Supplementary, Mr. Speaker: Has the minister abandoned Ottawa to the federal government or is the government co-operating with federal plans to install a similar kind of reclamation park in downtown Ottawa?

Hon. W. Newman: I can assure the member the National Capital Commission has called for submissions in the Ottawa area; and as we get the various studies that we have going on in the Province of Ontario now—we have 16 going on in various counties and regions—as these come into place we will be sitting down to discuss the best way to deal with their garbage problems.

Mr. Speaker: The member for Windsor-Walkerville. This should be the last supplementary on this.

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, I am sure the minister is aware of Bill 48, which is an Act to establish an Ontario Waste Disposal and Reclamation Commission. Is the minister prepared to accept the principle of that bill?

Hon. W. Newman: Mr. Speaker, I said we would have discussions with industry, and with government, municipal and provincial; we will be discussing the whole matter with them. We will be setting up a solid waste task force in the weeks ahead, but we will not have a special commission dealing with that now.

Mr. A. J. Roy (Ottawa East): We have done the minister's work for him.

Mr. Speaker: The hon. Leader of the Opposition.

DAYCARE SERVICES

Mr. R. F. Nixon: I would like to ask the Provincial Secretary for Social Development if she can remove the confusion associated with government policy pertaining to daycare

centres? Is she now prepared to say that since the regulations that were to be associated with her statement, indicating the policy was to reduce the standards for day care, have not been promulgated, that in fact the government, as a matter of policy, is not accepting the original statement, now some months old?

Hon. M. Birch (Provincial Secretary for Social Development): Mr. Speaker, through you to the Leader of the Opposition, the proposal that I suggested on June 4 indicated the intent of this government in the area of flexibility in the daycare proposals. It's one thing to introduce an intent but another thing to translate that intent into government legislation. There is a lot of involvement. There is an advisory council that we are in direct confrontation with to get their feelings—

Mr. Lewis: Confrontation is the word all right. That's a Freudian slip. It's a very good word.

Hon. Mrs. Birch: —and the regulations are being worked upon at the moment and they will be coming forward.

Mr. R. F. Nixon: Supplementary: As there is such widespread concern and statements made on behalf of the Ministry of Community and Social Services have indicated that the policy might in fact be changed and there are those who are indicating that the regulations were before cabinet and sent back by cabinet for review, why would not the minister be prepared to say that there would be at least a six-month delay before the implementation of this policy so that alternatives could be discussed from those groups which have professional and direct impact on it?

Hon. Mrs. Birch: Mr. Speaker, I'm not aware of where the Leader of the Opposition got his information. The regulations have not been before cabinet.

Mr. R. F. Nixon: It was out of the newspaper.

Hon. Mrs. Birch: —to cabinet and I'm rather surprised. Members like the member for Thunder Bay (Mr. Stokes), the member for Wentworth, the member for Yorkview (Mr. Young), the member for Grey-Bruce and many others in the opposition already have had proposals approved by the Ministry of Community and Social Services for daycare centres in their particular ridings. Their constituents apparently are very pleased with the proposals and have sent in applications.

Mr. Lewis: We are not talking about capital costs. What about the ratios?

Mr. R. F. Nixon: We don't want standards reduced.

Mr. Lewis: We are not talking about that. It's the ratios we are talking about.

Hon. Mrs. Birch: Mr. Speaker, I take exception. I don't feel that the standards are being reduced at all. It might be noted that this government does not consider numbers and does not equate numbers with quality.

Mr. E. W. Martel (Sudbury East): That's right.

Mr. Lewis: It certainly doesn't.

Mr. Deans: That's about the size of its majority.

Mr. Lewis: A supplementary question: Can we have an undertaking from the Provincial Secretary for Social Development that the regulations will not be gazetted and will not take effect until they have been discussed and commented upon by the advisory council established by her colleague?

Hon. Mrs. Birch: Mr. Speaker, I think I have already indicated that there is a very good close relationship with the advisory council.

Mr. Lewis: The minister called it confrontation.

Hon. Mrs. Birch: I didn't mean that in that direct term.

Mr. Martel: It's a Freudian slip.

Mr. J. R. Breithaupt (Kitchener): Why bother having one?

Hon. Mrs. Birch: I can't take it upon myself to make any such promise but there is consultation between us.

Mr. Lewis: Then, by way of supplementary, why does the minister appoint an advisory council on day care and refuse to permit it to deal with the single most controversial part of the regulations she has introduced? Is the advisory council irrelevant or is the minister going to give them a job that is important?

Hon. Mrs. Birch: Mr. Speaker, the terms of reference for the advisory council are very broad. The advisory council is very pleased with the terms of reference. They realize that they have a job to do. They have been

assigned the duties of monitoring the day-care programmes throughout this province—

Mr. Lewis: Monitoring?

Hon. Mrs. Birch: —and bringing recommendations on future expansions of daycare facilities.

Mr. Lewis: So the minister is not going to let them discuss regulations.

Hon. Mrs. Birch: They have already been given several terms of reference with which they are very satisfied.

Mr. R. F. Nixon: Supplementary: Would the minister be prepared to give an undertaking that when those regulations are prepared for gazetting they could be presented to the House for discussion and debate here, since they are as effective as any piece of legislation in changing the whole quality of day care in the province?

Could they be accompanied, finally, by the material that was presented to the minister that led her to make this policy statement back in June?

Hon. Mrs. Birch: Mr. Speaker, as I pointed out in the earlier session, it is not possible to present all of that material. The material that was possible to present was tabled in this House. As to bringing the regulations—

Mr. Cassidy: Why isn't it possible?

Mr. Lewis: The minister is in retreat on this issue anyway.

Mr. Speaker: Order, please.

Hon. Mrs. Birch: Mr. Speaker, I am not in retreat.

Mr. Lewis: She is.

Hon. Mrs. Birch: I am not at all. I am not in retreat. I stand behind that policy 100 per cent. It is a good policy.

Mr. Lewis: The minister is backing away and she is right to back away.

Hon. Mrs. Birch: I do not equate quality with numbers.

Mr. Speaker: Order, please.

Hon. Mr. Grossman: They just babble on and on and on over there.

Mr. Lewis: This was an issue in the by-election, as a matter of fact.

Hon. Mrs. Birch: Oh, no it wasn't. I do not equate quality with numbers. It might be noted, considering the size of the opposition party, I'm sure they wouldn't like to equate quality with the numbers over there.

Mr. Speaker: Does the hon. Leader of the Opposition have further questions?

CLOSING OF BURWASH CORRECTIONAL CENTRE

Mr. R. F. Nixon: I would like to ask the Minister of Correctional Services if he could give the House the information now that led him to decide to close the Burwash correctional facility after he and his predecessor had persuaded the Management Board and the Ministry of Government Services to undertake such an extensive expansion and renovations, some of which went on even after the announcement by the minister to close Burwash?

Hon. R. T. Potter (Minister of Correctional Services): Mr. Speaker, at the time the announcement was made to close Burwash I explained the reasons for closing it. I don't see any reason why I should go through that all again, unless the hon. member had difficulty understanding it.

Mr. F. Laughren (Nickel Belt): Justify it.

Mr. Roy: We don't want a statement, just an answer.

Hon. Mr. Potter: It certainly started back in 1971 or 1972 when one of my predecessors started a review of the programmes in correctional services and of the increasing costs of providing the services; a study was also started to see how more efficient programmes could be developed in a more economical manner. It started off with scrutiny of the training schools, and it was found that the success of programmes that were started there allowed us to close two training schools in the province. Then the studies got into the larger institutions, and it was found that it was not necessary to continue to operate both the Guelph institution and the one at Burwash.

Mr. R. F. Nixon: The ministry is opening a new one down there.

Hon. Mr. Potter: Consideration was given to both institutions in terms of where the inmates came from, the cost of operation and so on; and because well over 90 per cent of all of the inmates were from this part of the province, it was decided to continue the operation of the facility at Guelph and to

recommend to the government that we close the Burwash facility.

Some work did go on after the decision was made, but I am sure the hon. member will appreciate that this was work that had been contracted for and started some time before; and, of course, it must be completed in order to maintain the buildings in some kind of a state of repair so that they can be used for other purposes.

Mr. Martel: Like building a road?

Hon. Mr. Potter: I pointed out at that time that other ministers of government had visited the facility and that the government was working on details of making further use of these facilities. I am not prepared to state today what this use will be; that doesn't fall within my jurisdiction. As far as I am concerned in the correctional services field, we have no use for the facility; it certainly would have been improper for me to recommend to government that we continue to operate it strictly to maintain a place of employment for those who were employed there.

Mr. R. F. Nixon: A supplementary: Would the minister not agree that the concern here is not only to keep a basis of employment in the Burwash area, but also to get some accounting from the minister for the expenditure of public funds in the months almost immediately before the decision to close it was made? For example: aluminum siding on 60 houses in 1973-1974—cost unknown; we tried to find out the cost. And there have been expenditures totalling $1.6 million in the last few months, as far as we have been able to determine.

Will the minister table a complete tabulation of the expenditures that were undertaken for improvement, renovation and new development at Burwash in the last three years?

Hon. Mr. Potter: Yes, Mr. Speaker, I would be delighted to because the hon. member, as he has in the past, again is trying to mislead this House by quoting figures that are not true. I have all the figures and I will see that they are properly tabled.

Mr. R. F. Nixon: Well, let the minister give us the information.

Mr. Speaker: A supplementary; the hon. member for Sudbury East.

Mr. Martel: A supplementary to the minister: In view of the fact that as early as 1972 the government was aware that its new policy would reduce the number of clientele in its institutions, why then in late 1973 did the government go ahead with the building of a new institution in southern Ontario?

Hon. Mr. Potter: Mr. Speaker, the institution in southern Ontario is for an entirely different purpose. And, as I explained earlier, the institution in Sudbury, if it was to continue to operate for correctional purposes, would require in excess of another $2 million to bring it up to standard. For the last two years of full operation it has cost in the vicinity of $2.5 million to $3 million to operate; and believe me that's a lot of money. There's no reason why I should ask the taxpayers of Ontario to keep a facility open that's no longer useful.

Mr. Speaker: Further supplementaries?

Mr. Martel: Supplementary.

Mr. Speaker: This will be the last supplementary.

Mr. Martel: In view of the fact that the government has spent about $4.5 million—

Mr. Lewis: That's right.

Mr. Martel: —since 1970 in all kinds of foolish repairs, how can the minister justify his last statement?

Interjections by hon. members.

Hon. Mr. Potter: Mr. Speaker, as I tried to say earlier, the repairs were not foolish repairs. Most of the repairs were necessary for—

Mr. R. F. Nixon: They were just expensive ones.

Hon. Mr. Potter: —any ongoing facility that was being used. And I must say, Mr. Speaker, that I'm very, very surprised.—

Mr. W. Ferrier (Cochrane South): He would rather spend his money in the south.

Interjections by hon. members.

Mr. Speaker: Order, please.

Hon. Mr. Potter: I must say I'm very surprised at the criticism from the hon. member. I thought that he and his leader would have got together long before this, because back in 1969 his leader stated in this House that it was about time the government realized that this facility was obsolete and should, in fact, be closed out.

Hon. Mr. Grossman: Does the member for Scarborough West remember that?

Interjections by hon. members.

Mr. Lewis: Is he talking about me?

Hon. W. A. Stewart (Minister of Agriculture and Food): The leader of the NDP better take that guy to the woodshed; he needs to be straightened out.

Mr. Speaker: The hon. member for Scarborough West.

Interjections by hon. members.

Mr. Lewis: I'm sure I said it, if the minister says so. But I'm sure I must also have said that it should be used for something else, not just the money thrown away.

Hon. Mr. Rhodes: He changed his mind.

Mr. Lewis: On a point of privilege, Mr. Speaker; on a point of privilege.

Mr. Breithaupt: A point of correction.

Hon. Mr. Grossman: Why doesn't he retire?

Mr. Lewis: I'd close down all the training schools if we had the chance and put them to another use.

Hon. Mr. Grossman: That's not a training school.

REPORTS ON LEAD POLLUTION

Mr. Lewis: A question, Mr. Speaker, first to the Minister of the Environment: In his new enthusiasm for cleaning up the environment, how is it that he has done absolutely nothing about the task force report on lead emissions in downtown Toronto, which indicated that the Ontario government take immediate action to toughen the controls on lead smelter and battery crushing plants to ensure the safety of persons living or working within 3,000 ft. of such plants? When is he going to act on the lead crisis in downtown Toronto?

Hon. W. Newman: Mr. Speaker, as far as the lead plants in Toronto and other areas of the province are concerned, we have had control orders on plants. We also are still continuing to work with these plants. I don't have them all listed here in front of me, but we are still doing things in the plants and with the companies. As you know, Mr. Speaker, the Minister of Health (Mr. Miller) and myself made a joint announcement some two or three weeks ago that the working committee from the Roche Robertson report, as we call it, and the working group on lead committee, will be subject to an Environmental Hearing Board. This will be actually started, as I said at that time, in December.

Mr. Lewis: But by way of supplementary, how long is the minister willing to let it drag on when the report demonstrated that 16 per cent of those tested who have an excessive level of lead in the blood were children under seven, when the report demanded that he toughen and enforce emission control standards? How long does the minister play this life and death game with lead pollution in downtown Toronto?

Hon. W. Newman: Mr. Speaker, we are not playing—we have controls on them. We are putting further controls on the companies right now.

Mr. Lewis: They are not observing the controls.

Hon. W. Newman: What I'm saying is that we're going to look at the health situation and the working group on lead at the same time. And we'll have experts there to present their advice.

Mr. Lewis: The minister has had report upon report.

Hon. W. Newman: But the other report is not out yet. It will be out very shortly.

Mr. Lewis: Thanks. How much evidence does the minister need?

Mr. Foulds: How long, though?

Hon. W. Newman: There will be a meeting at the end of November.

Mr. Speaker: The hon. member for Grey-Bruce.

Mr. Lewis: One more supplementary, if I may, Mr. Speaker.

Mr. Speaker: The hon. member for Scarborough West first.

Mr. Lewis: What does the minister do when even this task force report urgently asks that the soil levels be changed and the board of health moves on it in Toronto, and the head of Canada Metals says, "They're crazy. I have no intention of paying the cost, whatever it is. It's not something they can make us do anyway. They don't have the power." Who has the power to bring these companies to heel, if not the government of Ontario?

Mr. R. F. Nixon: It's nuts.

Hon. J. W. Snow (Minister of Government Services): Big, bad companies.

Hon. W. Newman: I didn't say the Province of Ontario didn't have the power to do some of these things.

Mr. Lewis: Well, do it!

Hon. W. Newman: And we are doing some of them now and we will continue. We want to get the health report, which will be out very shortly, too.

Mr. Breithaupt: The report on the report.

Mr. Speaker: The hon. member for Grey-Bruce with the last supplementary.

Mr. Sargent: People are moving out of the area because they can't stand these places. Why doesn't the government quit all this nonsense and have the plants moved to an industrial area and protect the people? Why doesn't the government do a simple thing like that?

Hon. Mr. Rhodes: Move to Owen Sound.

Hon. W. Newman: One thing about the hon. member for Grey-Bruce, he has a great simplification for everything.

Mr. Sargent: Supplementary: Does the minister mean to tell me he is going to allow that plant to stay there?

Mr. Speaker: Order please. That was the last supplementary. Does the member for Scarborough West have further questions?

Mr. Sargent: Is the minister going to allow the plant to stay there?

Mr. Speaker: Order, please. That was the last supplementary. Does the member for Scarborough West have further questions?

Mr. Sargent: Is the minister going to allow the plant to stay there?

Mr. Speaker: The member for Scarborough West.

MINE SAFETY INSPECTION

Mr. Lewis: A question, if I may, Mr. Speaker, of the Minister of Natural Resources.

Hon. Mr. Grossman: Not him, not him.

Mr. Lewis: I am just practising so I turned around and looked at my colleague from Sudbury East.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Just a dry run.

Mr. Lewis: Right, right. One would call it a dress rehearsal.

May I ask the Minister of Natural Resources, how does the minister expect to introduce integrity and a feeling of reassurance into the mine safety inspections if he turns that operation in to an independent group called the Mine Safety Association, composed now entirely of company representatives?

How is the minister improving all the discomfort that all the miners and the unions feel about the possibility of collusion between inspection and company?

Hon. L. Bernier (Minister of Natural Resources): Mr. Speaker, as the hon. member well knows we are going into some very extensive studies and reviews of this entire question. Certainly I have made indications that we are going a different route. I think this has been accepted.

Mr. Martel: No, he is not. He is giving it back to the mining people.

Hon. Mr. Bernier: We certainly await the recommendations and the report of the royal commission that has been established, but in the interim we are looking at a number of different ways, a number of different routes—

Mr. Ferrier: He hasn't done anything yet.

Hon. Mr. Bernier: —to go to bring back and to put credibility and reliability into these tests—

Mr. Martel: That's putting Dracula in charge of the blood bank.

Mr. E. M. Havrot (Timiskaming): Is the member for Sudbury East in charge?

Hon. Mr. Bernier: —and this is just one of the main ones.

Mr. Speaker: The member for Rainy River with a supplementary.

Mr. Lewis: I have a supplementary, if I may, Mr. Speaker.

Mr. Speaker: I am sorry, the member for Scarborough West first then.

Mr. Lewis: That's a fairly vivid description of what the minister is doing. If the minister is moving the inspection from the mines themselves to the mines association, can the minister give us a guarantee that the

Mine Safety Asociation will have appointed to it a number of members from the work force equivalent to the number of members from the company?

Hon. Mr. Bernier: Yes, Mr. Speaker, I think I made that very, very clear in my public statements that if we did go this route —and I am personally convinced that we should—I have also made it clear that we would have members of labour involved.

Mr. Lewis: No, an equivalent number.

Hon. Mr. Bernier: That's something we can look into as the structure goes on, but they will be involved and I have made that commitment publicly.

Mr. Cassidy: Make a commitment. The mine owners aren't underground, as the minister knows.

Mr. Speaker: The member for Rainy River for a last supplementary.

Mr. T. P. Reid (Rainy River): Thank you, Mr. Speaker. What does the minister intend to do about the mining section of his ministry, which, it has been admitted by his predecessors, has been the handmaiden of the mining industry rather than the province and the people as a whole? What is the minister going to do to clean up the mining section and make it an instrument to serve the public and the mining people instead of just the companies?

Hon. Mr. Bernier: Mr. Speaker, I certainly won't comment on what my predecessor stated with regard to the mine safety division of my ministry.

As I pointed, out we are taking a thrust to bring back credibility and to make sure that the mines of the province of Ontario are the safest mines not only in Canada, but indeed in the entire world and that's the thrust we are taking.

Mr. Speaker: The member for Scarborough West.

Mr. Martel: A supplementary, Mr. Speaker.

Mr. Speaker: I announced that that would be the last supplementary. Time is passing quickly.

Mr. Martel: Would the—

Mr. Speaker: Order, please. The member for Scarborough West.

Mr. Martel: One supplementary question?

Mr. Speaker: Does the member for Scarborough West have further questions?

Mr. Lewis: You are not allowing a supplementary?

Mr. Speaker: No, the time is running out.

ONTARIO CIVIL SERVICE GROWTH

Mr. Lewis: A question of the Chairman of Management Board: Is the freeze which the minister has applied to the Civil Service Association also going to apply to all those people who are on contract, people who are classified as professional or having special capacities who are working on non-recurring projects, all of them outside the scope of collective bargaining—many of them we would classify as political appointments I suppose, in association to ministers, etc., and commissions and advisory councils, etc? Is the same freeze to be applied to that group as to the formal civil service group?

Hon. Mr. Winkler: Mr. Speaker, there is a complement control for the purpose of controlling the expansion of government in any area where such employees are concerned, whether they be full-time complement or unclassified, if I may put it that way.

Mr. Reid: Supplementary?

Mr. Speaker: One supplementary; the member for Rainy River.

Mr. Reid: May I ask the minister why he did not consult or inform the CSAO when he decided to make this move? After all, they do represent the bulk of the employees of the civil service. Why weren't they at least consulted or informed ahead of time? Why do they have to read about these things in the newspapers?

Hon. Mr. Winkler: That last part of the member's question is something that is very near and dear to me because many of the moves that the CSAO has made thus far we've had to read from the newspapers too.

Mr. Reid: They tried to meet with the government on various occasions, with the minister and the Premier (Mr. Davis).

Hon. Mr. Winkler: I want to tell the member this. The government is the employer and the policy will be established by the government and will be announced by the government.

Mr. Lewis: Oh, that's what is called "entitled to every consideration."

Mr. Speaker: The member for Scarborough West.

Interjections by hon. members.

Mr. Speaker: Order.

Mr. Lewis: That's good faith.

Mr. Speaker: Does the member for Scarborough West have further questions?

Mr. Lewis: No, Mr. Speaker.

Mr. Speaker: The member for Kingston and the Islands.

Mr. C. J. S. Apps (Kingston and the Islands): I was going to ask a question of the Minister of the Environment but I'll contact him after the question period.

Mr. Speaker: The member for Grey-Bruce.

BEEF PRICES

Mr. Sargent: Mr. Speaker, I have a question of the Minister of Agriculture. In our area, many farmers are going to lose between $100 and $150 a head on their beef this fall. In Alberta and Saskatchewan—what's the Chairman of the Management Board laughing about? Is that not true? Does he know that? He should know that.

Hon. Mr. Winkler: Why doesn't the member talk to Whelan who ran up and down the country speaking on behalf of the farmers?

Interjections by hon. members.

Mr. Speaker: Order, please. The member has a question?

Mr. Sargent: Yes. That man is sick.

Mr. G. Nixon (Dovercourt): So is the member for Grey-Bruce.

Hon. Mr. Grossman: Why does the member for Grey-Bruce say that about Whelan? He's not sick, he is just wrong.

Mr. Sargent: Alberta and Saskatchewan are offering up to $40 million interest-free loans, as he probably knows. Last week 2,000 Quebec producers threatened a boycott unless subsidies were immediately forthcoming. What plans does the Minister of Agriculture have in the hopper right now for Ontario?

Hon. Mr. Stewart: Mr. Speaker, I may have some further things to say about this within the next few days.

Mr. Lewis: By way of a supplementary, if I could, could the minister also comment—

Mr. Speaker: One supplementary.

Mr. Lewis: —on why beef farmers in Ontario are so often receiving 20 to 25 cents a pound now and received something between 60 and 70 cents a pound a year ago, while the prices in the supermarkets have remained approximately the same? What has happened to the difference?

Hon. Mr. Snow: Doesn't the member for Scarborough West know the difference between a calf and a fat animal?

Hon. Mr. Stewart: Mr. Speaker, I would be very pleased to do that. My hon. friend, I'm sure, must appreciate the fact that the live beef selling at the prices he's just quoted is really feeder cattle.

Mr. Lewis: I understand that. I'm asking about the quoted figures.

Hon. Mr. Stewart: Oh, no, that's not the case.

Mr. Lewis: I'm asking the minister to deal with the second part as well.

Hon. Mr. Stewart: The fat cattle are selling at approximately the same price today that they were a year ago today. That's the fat beef that's going into the supermarkets over the shelf.

Mr. Sargent: It's 28 cents a pound on sale. The minister doesn't know what is going on. Go out to the sale and see what is happening.

Hon. Mr. Stewart: I know what's going on, my friend. If the member for Grey-Bruce knew half as much, he would keep his mouth shut long enough to give his brains a chance to work, which he's never really been able to do.

An hon. member: The minister is just trying to straighten the member out.

Mr. Sargent: Say it again. I can't hear the minister.

Hon. Mr. Stewart: If he would just keep quiet long enough to give his brain a chance to work, he'd know that he didn't know anything about the situation.

Mr. Roy: Make the minister withdraw that remark. It's unparliamentary.

Hon. Mr. Stewart: Mr. Speaker, if that's unparliamentary, I apologize for it, but I'm tempted to say those kind of things.

Interjections by hon. members.

Hon. Mr. Stewart: Certainly, Mr. Speaker, I sympathize with the person who is selling feeder calves today at half or less than half what they were a year ago.

Mr. Lewis: That's right.

Hon. Mr. Stewart: But those cattle will not be on the market and those cattle do not represent the beef that's being sold over the supermarket counters at all.

Mr. Lewis: But what happens to it?

Hon. Mr. Stewart: That will go to the people who will be feeding those calves between now and this time next year and later. The reason they're selling at that price today is that the price of grain has escalated to such a degree that it's virtually impossible to sell grain-fed cattle at today's prices, unless those cattle can be bought in the initial stage—that's the feeder calf—

Mr. Haggerty: The minister sounds like Whelan now.

Hon. Mr. Stewart: —or the yearling stage—at a price that will allow them to make the difference up due to the high cost of feed between the date purchased and when they're slaughtered. That's the reason they're selling less. That's the reason many of the feed lots of western Canada are empty—not a beast in them. We're concerned, quite frankly, and the governments of western Canada are concerned. This is why the federal government, as I understand it, introduced the beef stabilization programme, which applies only on fat cattle and applies only from Aug. 1, 1974, to Aug. 1, 1975, to try to stabilize the fat market to help keep the breeding herd intact—

Mr. Sargent: Why is this government dragging its feet then?

Hon. Mr. Stewart: —so that we will have a breeding herd to continue producing beef. If these present prices continue for feeder calves, I'm afraid the cow slaughter will take place to such an extent there will be no sources for beef for 1977-1978.

Mr. Lewis: So what does the province do?

Hon. Mr. Stewart: That's the thing we are considering right now. Just how we go about it is something I will have more to say in a day or so.

Mr. R. F. Nixon: Supplementary.

Mr. Speaker: This will be the last supplementary.

Mr. R. F. Nixon: Is the minister giving some concern to the views expressed by the Federation of Agriculture, particularly from Gordon Hill, the president, that a specific subsidy be used to maintain the cow herds under these particularly oppressive and unusual conditions? Is that what the minister is considering?

Hon. Mr. Stewart: I met with the Federation of Agriculture and their proposal was simply that—and I'm sure they made it in good faith—the province pay a subsidy of $100 per cow to every beef farmer in Ontario who would agree to reduce his herd by 20 per cent. To my way of thinking that is not really in the best long-term interests of the beef industry and the consumer in this country.

Now, I can appreciate what the federation is trying to do. But to me we should try to keep those beef herds—the breeding herds—intact.

Mr. Sargent: Only six months they wanted.

Hon. Mr. Stewart: I suggest, Mr. Speaker, with great respect, and I have publicly stated on many occasions that every breeding cow should be removed from the breeding herd. But keep the good young cows and replace them with the best young heifers that can be found now, so that by 1977-1978 we have a breeding programme in place that will keep the consumer supplied with beef at a stable price.

Mr. Lewis: Then the minister is going to have to save them in the next few months.

Hon. Mr. Stewart: That is really what we are attempting to do. I think that when I pointed that out to the Federation of Agriculture they realize there was some wisdom, some logic in that way of thinking.

Mr. Lewis: There is logic in that.

Hon. Mr. Stewart: But we are considering a good many other ideas.

Hon. Mr. Grossman: That is the difference between our Minister of Agriculture and the federal Minister of Agriculture. Our minister thinks of the consumer as well.

Mr. Speaker: The member for Port Arthur.

LEASEBACK CONTRACTS FOR PUBLIC BUILDINGS

Mr. Foulds: Mr. Speaker, a question of the Minister of Government Services: Has the difficulty and frustration that his ministry has experienced in trying to persuade John H. McCormick Ltd. of Burlington to pay the subcontractors who have completed work on the provincial Thunder Bay courthouse caused him to examine the whole system of leaseback contracts for public buildings, where his ministry loses the direct financial responsibility of involvement? As he himself admitted in the letter which I received, and which was very thorough, it causes some besmirchment of the provincial government's reputation. Has he considered the whole process of the leasebacks and the weaknesses there because of the situation?

Hon. Mr. Snow: Yes, Mr. Speaker, we certainly have. In the past years we've made several changes in methods of leasebacks. We have two contracts for leaseback buildings in Thunder Bay, as the member well knows, whereby we called public tenders, advertised and had bidders. I think for the courthouse the member refers to there were 14 bids submitted; for the other building there were perhaps seven or eight. Unfortunately we have a problem with the courthouse contract. The contractor is not completing his obligations the way one would expect. Certainly he had not paid the subcontractors—

Mr. Roy: The minister is just repeating the question.

Hon. Mr. Snow: It is not a direct contract but a lease. Where we do not have a direct contract the Public Works Creditors Payment Act does not apply, but the Mechanics' Lien Act does. The creditors in most cases, with perhaps the odd exception, have registered mechanics' liens and at the present time these must be dealt with by the courts.

I'm certainly not happy with the progress of this building. I'm not happy with the completed product, though in general I'm happy with the completed product—I've visited the building myself. There are a few minor items that the contractor has refused to complete. We have given him, his mortgage company, his lawyer and a trust company all notice by registered mail that if these are not completed in a certain length of time we will take action to complete them.

So I think we are doing everything possible at this time. But prior to the mechanics' lien actions being dealt with in the court I can't do any more there.

Mr. Foulds: Supplementary, if I may, Mr. Speaker.

Mr. Speaker: One supplementary.

Mr. Foulds: Has the minister consulted with his legal officials to see if any steps can be taken to protect those subcontractors who didn't have the expertise to enter a mechanics' lien, and is there no way, no power to avoid the 17 pending court cases? They are not only expensive, but they are an extra burden to the taxpayer because of the overloading on the courts. Is there no way to avoid that?

Hon. Mr. Snow: Well, there are two questions there, one referring to the tradesmen who have not registered mechanics' liens. I think everyone in the construction business should understand the Mechanics' Lien Act. It has been around for a great many years. I think it works very well and gives a great deal of protection. Unfortunately, as is the case with many other Acts of this or any other Legislature, if one doesn't take the necessary action to avail himself of the benefits under those Acts, then there is not too much one can do.

Mr. Roy: If there is an ordinary Act involved.

Hon. Mr. Snow: If, of course, those people have not made their registration of lien—and I think it was well known amongst the trades in Thunder Bay that there were problems with this contractor—then I am surprised that those creditors who have perhaps missed the time limit for the liens have done so because it had been well known for some time. Of course, they still have a civil action against the contractor, but they don't have the rights under the Mechanics' Lien Act against the leasehold interest.

Now, what was the hon. member's other question?

Mr. Foulds: It's not worth it.

Mr. Speaker: The member for Huron-Bruce.

PULLET PRODUCTION

Mr. M. Gaunt (Huron-Bruce): Mr. Speaker, I have a question of the Minister of Agriculture and Food. What is the minister prepared to do for the pullet growers in view of the fact that the conversion privilege no longer applies?

Hon. Mr. Stewart: Mr. Speaker, that subject is under discussion now in the newly formed advisory committee, which had its first meeting on Tuesday of this week. It is an advisory committee comprising the egg producers, the pullet growers, the hatcheries, the processors and the egg breakers.

It's a very difficult subject. I wish there was an easy answer for it, but there isn't. Obviously everybody realizes that the facilities to produce eggs, chickens and pullets in the Province of Ontario are greatly over capacity and have been for some years. That means it's a very difficult area. I hope they will be able to find a solution themselves.

Mr. Gaunt: A supplementary, Mr. Speaker: Since the Judge Ross report recommended that both egg production and pullet grower facilities be frozen, and since the government froze egg production facilities as of April 20, 1972, would the minister consider, as an alternative approach, freezing the pullet grower facilities as of now?

Hon. Mr. Grossman: He did better than the federal Minister of Agriculture.

Hon. Mr. Stewart: Mr. Speaker, that is an alternative that I understand the advisory committee has under consideration.

Mr. Speaker: The member for Windsor West.

DISTILLERY WORKERS' STRIKE

Mr. E. J. Bounsall (Windsor West): A question of the Minister of Labour, Mr. Speaker: Will he or a senior mediator now involve himself directly in the strike between the Hiram Walker distillery in Windsor and Local 1 of the Canadian Union of Distillery Workers, inasmuch as it has now gone on for 16 weeks, their wage demands at four percent, four per cent and three per cent over three years are as reasonable as I have ever heard, and their pension requests are no greater than those already granted in some other industrial jurisdictions?

Hon. J. P. MacBeth (Minister of Labour): Mr. Speaker, I am sure that all of us are anxious to get them back into production as soon as possible.

An hon. member: Hear, hear.

Hon. Mr. MacBeth: This week the parties are meeting at their own request without the help of our ministry, but if they don't get results this week we will be asking them to meet with our mediation people next week. But they are meeting this week at their own request.

Mr. Speaker: The member for Ottawa East.

ROYAL COMMISSION ON ALLEGATIONS OF POLICE BRUTALITY

Mr. Roy: Mr. Speaker, I have a question of the Solicitor General pertaining to his establishment of a royal commission under Mr. Justice Morand regarding the violence of the Toronto police.

Since the terms of reference apparently are wide enough to cover suggestions to other police forces across this province, are they wide enough that people who might have complaints in relation to other police forces could make these complaints to the commissioner?

Hon. G. A. Kerr (Solicitor General): No, Mr. Speaker. The allegations should be in respect to the conduct of a member of the Toronto police force. I think the terms are pretty well restricted to the Metropolitan Toronto force. As I have indicated before. The reason for this is that the inquiry was requested by the Metropolitan Board of Commissioners of Police. It has been indicated—and I think the commissioners feel this way—that the cases that will be dealt with by this inquiry are the type of incidents and situations that may well take place in other parts of the province.

I don't think there is any particular type of incident that could be attributed to a certain part of the province, for example. So the type and the variety of incidents and allegations that will be considered by this commissioner would, in fact, depending on his recommendations, be something that would be something that would be helpful to and could be noted by all forces in the province.

Mr. Roy: Supplementary?

Mr. Speaker: One supplementary, yes.

Mr. Roy: Just a short supplementary: If the terms of reference are wide enough to make recommendations to all police forces across the province, doesn't the minister find it inconsistent that, having established this mechanism, people may well have complaints from other areas—and I am not making this allegation; it's just that they may well have—so why doesn't he allow them to make their allegations at that time before that commissioner? Surely this will not unduly lengthen the process?

Mr. Sargent: Supplementary?

Mr. Speaker: It seems to me that question was asked and answered.

Mr. Sargent: Mr. Speaker—

Mr. Speaker: This will be the last supplementary. The member for Grey-Bruce.

Mr. Sargent: As I read the terms of reference, I think the minister has made them so narrow that they are narrowed down to the 13 cases in the press. If that is not true, I would suggest that to—

Mr. Speaker: Question?

Mr. Sargent: —get a true picture of the magnitude of the situation, would he agree that he should advertise in the paper that citizens who have suffered police brutality could send in sworn statements so that we would really know what's going on?

Hon. Mr. Kerr: Mr. Speaker, the terms of reference are not narrow. They don't apply just to the specific cases that are set out in the order in council. There is a provision that says, dealing with allegations, "of such other persons as the commissioner shall determine are necessary for the purpose of this inquiry." So they will deal with other allegations that are made against the metropolitan force—

Mr. Roy: Is the minister going to advertise that?

Hon. Mr. Kerr: —by anyone, depending on whether or not the commissioner feels that they are of some benefit to the inquiry.

Mr. Sargent: Will the minister say that he would welcome citizens sending in sworn statements? Would he welcome that?

Hon. Mr. Kerr: They should be sent to the commissioner, Mr. Speaker. He is running the inquiry. Certainly I would think that if somebody wants to make an allegation against a particular police officer, if he or she wrote to the commissioner the chances of being heard would be very good, depending on the circumstances.

Mr. Speaker: The oral question period has now expired.

Petitions.

Presenting reports.

Motions.

Introduction of bills.

The member for Scarborough West.

Mr. Lewis: I have two related bills, Mr. Speaker.

STATUTORY POWERS PROCEDURE ACT

Mr. Lewis moves first reading of bill intituled, An Act to amend the Statutory Powers Procedure Act, 1971.

Motion agreed to; first reading of the bill.

PLANNING ACT

Mr. Lewis moves first reading of bill intituled, An Act to amend the Planning Act.

Motion agreed to; first reading of the bill.

Mr. Lewis: Mr. Speaker, the combined effects of these bills would mean in effect that unincorporated ratepayers' or citizens' groups all across the province would have the right to appeal before the Ontario Municipal Board, to place submissions on any planning matter in any given area of Ontario.

Mr. Breithaupt: Mr. Speaker, before the orders of the day are called, might I inquire of the government House leader if he is prepared to call motion No. 6 standing in the name of my leader, the confidence motion, on Monday next?

Hon. Mr. Winkler: Yes, Mr. Speaker. I thank the hon. member for his question and I am prepared to call that motion on Monday afternoon. I will confer with the other House leaders on what adjustments will take place, inasmuch as we had agreed on what the routine of estimates would be. If there is agreement in the House, we would transfer the private members' hour to Tuesday.

Mr. Speaker: Orders of the day.

Clerk of the House: The 17th order, House in committee of supply.

ESTIMATES, MINISTRY OF CONSUMER AND COMMERCIAL RELATIONS

(continued)

Mr. Chairman: Is the hon. minister capable today—in good shape?

Mr. J. E. Stokes (Thunder Bay): You really know how to hurt a guy, don't you?

Hon. J. T. Clement (Minister of Consumer and Commercial Relations): I'm very grateful for the concern you've expressed as to my health, Mr. Chairman, and I'll do the best I can under somewhat difficult conditions.

Mr. R. F. Nixon (Leader of the Opposition): We won't talk too loudly.

Hon. Mr. Clement: Will you keep it down?

Mr. Chairman, I would like to make some brief remarks today, prior to the opening of my estimates, and with regard particularly to some of our current activities and some of those things which we hope to achieve in the months and years ahead.

As you're aware, the activities of my ministry are very active, both in terms of its legislative programme and its day-to-day dealings with the consumer and business community. I hope the members opposite will appreciate what I believe has been a concerted effort to continue the high standard of service which my ministry has provided for the public, the members and their constituents over the past number of years.

There is no doubt the ministry will have to continue to be flexible and continually improve its organization, operations and personnel, if it is to effectively deal with the wide range of challenges which we face on a day-to-day basis.

Perhaps I might, Mr. Chairman, review briefly some of the matters which are being dealt with by the ministry through its various branches before we proceed into specific questions with regard to the fiscal operation of the ministry; and of course before we attempt in a very real way to respond to the many questions which I am sure the members will have.

May I say initially, Mr. Chairman, that we have attempted to co-operate closely with all members of the House and I certainly appreciate the response of the members opposite, as well as those in my own caucus, over the summer months when asked for discussion and comment of the bills currently before the House, in order that many of their concerns and perhaps technical questions with regard to the draftsmanship of the bills could be dealt with to expedite the business of this House.

I might say that before we proceed with second reading of these bills, which will be in the very near future, we anticipate providing each of the members with copies of any amendments we might propose as well as the reasoning for the proposed change, in the hope that the same type of consultative process can continue in the future.

Perhaps I might initially deal with the Ontario Securities Commission, which of course has before this Legislature the new Securities Act, which is a result of the tremendous amount of study, investigation and consultation, both with the industry and other authorities across the country. As you are aware, one of our major thrusts with this legislation has been to bring uniformity in all provincial jurisdictions and our bill will be an important cornerstone to the entire regulation of securities in Canada.

In addition, the Securities Commission, as well as its day to day surveillance of the securities market, is carrying out a study with regard to the need for regulation of commodities traders in trading within the province; hopefully that study will be completed in the near future in order that some discussions can take place with regard to the recommendations.

The superintendent of insurance of my ministry is continuing his study of a number of submissions which have been made concerning improvement of automobile insurance coverage in Ontario. I would personally rather err on the side of caution, rather than bring forward any changes which might appear to be in the consumers' interest, but might have ramifications which might not be apparent on the surface.

I think we are anxious to bring about improvements to the present system; however, as a number of people have pointed out, such as Prof. Allan Linden, we have at the present time one of the best and most comprehensive systems in North America. We should be cautious before we make any adjustments which might detract from existing coverage. We are, however, continually looking for ways to improve and upgrade the current system.

In addition, Mr. Chairman, we have, of course, a study of insurance intermediaries being carried out by Mr. Douglas Carruthers, QC. He is well along the line with regard to his initial study covering the life insurance industry, which should ultimately result, after his recommendations are put forward, in the rewriting of that particular section of the legislation.

I think I can indicate quite clearly to you that hopefully over the next few years we will be rewriting the entire Insurance Act, section by section, to provide a comprehensive and perhaps more easily understandable piece of legislation, which I am sure will more than please Mr. Singer, who I know has been calling for this for some time.

Mr. V. M. Singer (Downsview): I am sorry, sir, I missed the sentence.

Hon. Mr. Clement: I will repeat that, because I think this will be enshrined in Hansard for ever and perhaps you might want to leave copies to your children.

Mr. Singer: With the minister's autograph.

Hon. Mr. Clement: If we can get that many copies printed.

Interjections by hon. members.

Hon. Mr. Clement: I will repeat that—blew it again!

I repeat, I think I can indicate quite clearly to you that hopefully over the next few years we will be rewriting the entire Insurance Act, section by section, to provide a comprehensive and perhaps more easily understandable piece of legislation which I am sure will more than please Mr. Singer—

Mr. Singer: Right.

Hon. Mr. Clement: —who I know has been calling for this for some time.

We anticipate a new Credit Unions Act, to be introduced for first reading later this session, which will implement many of the recommendations of the select committee; and hopefully, after a long period of consultation, we will have developed legislation which will meet the need of the credit unions, but at the same time providing protection for the individual depositor, which of course was one of the greatest concerns of the select committee.

The business practices division of my ministry has been extremely active over the past year and the funds which were available to the ministry in the area of information services were to a great extent spent in developing a new and comprehensive series of pamphlets outlining much of our consumer protection legislation, and to assist the consumer in dealing with a wide range of business practices.

The availability of these brochures and consumer information programmes was announced through the newspapers as well as radio and television and we have been more than pleased with the response, which has resulted in the reprinting of a number of brochures.

The Business Practices Act which is currently before the Legislature is a major programme for us and will result in the reorganization of that section of my ministry in order to enable it to be more responsive in dealing specifically with the elimination of unfair and deceptive practices, as opposed to its previous structure, which I think could be described as being one of a registrative nature.

In addition to this legislation, we will of course have legislation forthcoming in the near future as a result of the green paper on consumer product warranties, of which the members are aware. Hopefully early next year there will be an updating and revision of the Consumer Protection Act.

I should perhaps touch on the property rights division and the very real efforts which are being made to improve and update the land registration system in Ontario. I am not sure that too many people realize the tremendous task which the ministry has undertaken since this responsibility was assumed by the provincial government. However, I think that both the offices and the calibre of our personnel have been substantially upgraded and we will continue to proceed in this manner in the near future. Hopefully, with the close co-operation we have with those in the legal profession and others, we can develop new and more efficient ways of dealing with the subject of real estate registration and somehow speed up the ultimate conversion of the entire land registration system in Ontario to the Land Titles Act.

Mr. Singer: So it will be the greatest in the world?

Hon. Mr. Clement: Oh, probably.

Mr. R. F. Ruston (Essex-Kent): Not quite.

Hon. Mr. Clement: The Ontario Racing Commission, of course, is a very active part of my ministry. I must say that the sire stakes programme which was implemented by the government for the standardbred industry has been to my mind quite an unqualified success and I believe has brought new vitality into that industry. It has reversed the major flow of investment that has been going out of the country and brought benefit to a great number of people, specifically in the rural areas of Ontario. The commission is discussing ways of improving the programmes we have at the present time for the thoroughbred industry. The horse racing industry employs about 17,000 people in this province and we, quite frankly, feel that we have one of the best racing commissions in North America.

The new vigour and direction with which they are pursuing their role as a catalyst for progress in the racing industry is an example, I am sure, that can be followed by many other branches of my ministry and the government.

I am sure, Mr. Chairman, I could go on talking extensively, about the technical standards division of my ministry, the pension commission, the office of the registrar general, the theatres branch and the companies

division, all of which I can assure you in their own way are making my position a little easier by the efficient and co-operative way in which they handle their tasks.

In closing, Mr. Chairman, perhaps I can say that I believe my ministry has some of the most dedicated and most loyal public servants in the government who spend long hours listening to and dealing with the complaints of individual consumers of Ontario, and working with what we believe is a responsive business community to resolve those complaints. We are working with them and others to establish codes of conduct which will ensure that the Ontario consumer is indeed protected. There is no doubt that the task is not an easy one. However, I personally want to go on record as commending to the Legislature the efforts of these people in carrying out the performance of their various duties.

Mr. Chairman, I look forward to the dialogue which will take place during these estimates and welcome the questions of members opposite. I would like to personally assure them everything is in order; if they want to just approve it, I wouldn't be offended.

Mr. Singer: Why doesn't the minister just move that everything be approved and sit down? Instead of waiting until five or six days from now.

Hon. Mr. Clement: Thank you.

Mr. Chairman: The hon. member for Perth.

Mr. H. Edighoffer (Perth): Mr. Chairman, I am very pleased to be the spokesman for the official opposition. I have to say first of all that I enjoy the activities of this minister, particularly in the House, with his wit and humour. I think he is good for the Legislature and I'm glad to see he is in such good shape today. He doesn't look too well roasted.

Having been associated with small business all my life, I may be a bit biased, but I realize that the need for assistance to maintain small business endeavours without undue government restrictions is important, because if business becomes too large there seems to be a need for more regulations. I think small business keeps that personal touch with consumers and, in turn, allows the consumers more access to those who make the decisions.

Now as this ministry is entitled Consumer and Commercial Relations, I hope that the minister continues to work more to that end in the future.

Looking over the estimates from last year, I notice at one point the minister remarked, when asked about the annual report for the ministry, that it would be out in four or five weeks. This was a year or year and a half ago. I was glad to receive on my desk just two days ago a copy of the statistical report of the ministry, so that I am glad that the minister finally made this report available.

Hon. Mr. Clement: The member wasn't on our subscription list; I am sorry about that.

Mr. Edighoffer: I think it might be appropriate—however, I see your parliamentary assistant isn't here today.

Hon. Mr. Clement: He is, he helped this morning.

Mr. Edighoffer: Oh, he helped this morning.

Well I just wanted to say a word of congratulation to him. I hope he enjoys it and I hope that, of course, he can lighten your workload to some extent.

I think today I would just like to take a few minutes to talk particularly from the consumer's point of view. We hear so much these days about the increase in prices at a rate never before encountered. We hear references made at the provincial and federal level which lead people to imagine that the government is doing something about it. We know that price and wage and rent controls are not the best way to control the spiralling costs of goods and services.

I just received the second food study report, so I got the former report out and compared it with the new one. I really wonder if this has any great positive benefits for consumers. I have heard on a number of occasions this report is considered a good public relations report, but in looking over both I notice the minister made a statement after the first report. I quote his statement: "It seems to me that the food company annual reports are written with too much emphasis on management accomplishments and too little accent on informing the public."

Now, in the press release with this second report he makes no comment such as that. As I read the press release I felt he was trying to advise the consumers that possibly these profits would decrease considerably in the next six months or a year; even though on page 17 of the report, and I quote from the report that there is "No incentive to fight inflation. It is evident from the analysis that food companies have little difficulty passing on rising costs in the form of higher prices."

Now in reference to these higher prices, I think the minister should instigate and press for a legislative price review committee. This has been recommended by the official opposition on many occasions, as I am sure he is aware.

I can see such a committee as being very useful. I think first it would assist in making companies or businesses take a closer look at increasing prices because of the possibility of being summoned before the committee to justify that increase.

Secondly, the committee would have the power to look into the price increases and recommend the government roll back prices.

And thirdly, I think it would also give the consumer a better insight into the reasons for the higher prices. In this way, I feel that the Legislature could play a most important and positive role on behalf of the consumers of Ontario.

I recall in the Legislature, in the spring I think, the minister was asked whether he would support the Ontario branch of the Canadian Consumers Association. They requested a grant of $25,000 I think, to continue their work. At that time I believe he said he wasn't able to.

I would just like to say that I feel this amount of money would be of great benefit to the association and the consumers. In comparison to the amount that his ministry gives to the horses, I really think it would do a lot of good. I believe this request was made with good intentions and I think it would tie in with the feeling of most legislators that we must have grassroots participation. I hope the minister sees fit to make such a grant available.

Mr. Chairman, in this ministry there are so many areas, really, to cover, I know I can't cover them all in the lead off. We will have ample time vote by vote, but I would like to just say a word or two about credit buying.

Statistics on credit buying are available and they are somewhat alarming. I noticed in one of the minister's speeches, to the Canadian Consumer Loan Association in Jasper, Alta., on July 3, he made this statement, and I quote:

> The unnecessary use of credit has implications for individuals as well as the economy as a whole. I am told that once a family reaches a certain level of indebtedness to a financial institution, it is rarely able to free itself. This kind of credit addiction is surely worth examination.

In your ministry's publication, "Using Credit Wisely," I note that you were very careful to list seven advantages and seven disadvantages, and I hope this means that you are just not sort of sitting on the fence talking about credit. When we refer to credit, I had the matter of credit cards brought to my attention by a commercial teacher in the Stratford Central Secondary School. This teacher and a number of students wrote to me and stated that they felt credit cards are creating a higher cost for goods and services. Being a businessman, I am afraid I am involved in this sort of thing. I feel, personally, that I use it as a means of reducing bad debts, along with other things. A report in the Financial Post—I think it was in February, 1974—stated that there were 3.8 million Chargex cards and 600,000 Master Charge cards in the hands of consumers in Canada. That means there's a two to six per cent service charge that could have a great bearing on the increased cost of goods.

I just wondered, Mr. Minister, if you had ever considered legislation, or recommending to the federal government that legislation is necessary, to have the consumers pay the service charge or receive the goods at less cost for cash? I understand that now in Quebec they are starting to use these credit cards in grocery stores, and if this trend continues it could be another burden to many of the consumers, not only in Ontario but all of Canada.

I would like to hear, Mr. Minister, what your comments are in regard to the credit card system as it is today.

I will just say a word about lotteries. Lotteries seem to be important in the minds of many people and there certainly seems to be a tremendous amount of money being put into lotteries. It's difficult to get exact figures on how much people in Ontario spend in licensed games of chance, but I have read figures such as they spend $160 million to win $50 million in prizes. It has also been suggested that $30 million leaves Ontario in support of lotteries operated outside Ontario.

There was an editorial in the London Free Press which was most informative and which in the end suggested that lotteries should be considered with caution. I recall mention in this House some time ago that a study was under way as to whether or not we would have a provincial lottery. I hope that study will be made available shortly so that we can examine the possibilities of a provincial lottery or its other various alternatives.

Because of the amount of money involved, I hope that the minister just isn't holding this off until the great magnificent sports complex

is going to be announced or opened, in the Bronte Creek Provincial Park I believe it is.

In another area in your ministry — the Liquor Licence Board, the Liquor Control Board—many aspects really could be discussed. It's most alarming that the latest figures from the Addiction Research Foundation show that in 1971 there were about 286,000 people in Ontario who consumed a hazardous amount of alcohol. This, of course, means that there have been considerable health and social costs related to this.

I just make reference to my leader's statement on May 7, 1974, when he called for a ban on liquor and beer advertising because of the increasing consumption and the increase in the incidence of alcoholism. I agree with my leader's statement.

I realize that at the time the minister stated that he would consider a proposal calling for liquor companies to match their advertising expenditures with money to cope with the social problems created by liquor. Looking over the advertising budgets of some of these companies, it would be quite a sizable amount.

The last figures I have been able to obtain for 1973 show the following expenditures: Molson's a little over $4 million; Carling O'Keefe, almost $4 million; Labatt's Breweries, $3.5 million; Seagram, a little over 3 million; Gilbey, a little over $2 million; Formosa Spring Brewery, $2 million; Hiram Walker, just about $2 million. These figures, when they are added together, give us a total of over $20 million. So if these companies were to supply the same amount of money for health and social costs, it would be of great assistance to the people in the province. I am wondering if the Minister is considering a suggestion in reply to my leader's request.

It seems that many times when a person picks up a newspaper he reads something about the travel industry. I could say that in many cases we feel sorry that the people who have planned trips or vacations have been unable to complete these travel plans. I noticed in the press not too long ago that your new parliamentary assistant is working diligently and has made some suggestions that legislation will be prepared for this session. But I would like just to put on the record part of this editorial from the Toronto Star of September 12, which says:

> The government has also had for months the report of an auditor appointed to look into the affairs of an earlier bankrupted travel firm. He recommended all travel agents should be required to keep customer's trust payments in a fund separate from general operating funds, and should carry insurance covering at least 75 per cent of the average amount in the trust fund during the year.
>
> Agents should be licensed by the provincial government. The licences would be renewed each year when the agent would be required to supply an audited financial statement and proof of his trust position in insurance.
>
> Summarizing, the auditor noted that travel agents operate in a position of public trust and added: "The international nature of the travel agency requires that strong provincial legislation be enacted to protect the public." While the travel agents themselves may not go wholeheartedly along with that, they agree that the reputation of the industry is jeopardized by a few bad apples. The only one apparently unconvinced of the need for urgent action is the Ontario government.

Need I say more, other than that I hope the parliamentary assistant's comments in the press mean that we will see something to assist these people who have had difficulty in travelling in the past.

I have met on a number of occasions, Mr. Speaker, with members of the Ontario Retail Gasoline and Automotive Service Association. I have covered a number of subjects with them, but there is one in particular that I believe is most important. I have talked to a number of these operators who are lessees of premises from oil companies; I've looked over their leases and I find that these leases are very binding for the company. In a number of cases there is no assurance for the lessee that the lease is valid or will be renewed even if his ability to operate is satisfactory.

I know that this ministry has been working on lease guidelines for some time, and I refer to the question my colleague, the member for York Centre (Mr. Deacon) asked in the Legislature on May 27. He asked about the status of a fair leasing policy or programme, and the minister's reply at the time was:

> Mr. Speaker, the Ontario Petroleum Association, which is an association made up of major oil companies, and the Ontario Retail Gasoline Association together met with a member or two of my ministry present over a number of months from about last September or October until, I think, January or February of this year and those two associations between them developed a set of guidelines acceptable to both.

That's the end of the quote. Then I received in the mail a copy of a letter written by the association's manager, Mr. Coates, dated June 13, and addressed to the minister. Referring to some letters he had written to the minister, he said:

> You will quickly see that this association has never accepted certain segments of the guidelines as proposed by your ministry, and we have never met with the Petroleum Association. They have always refused to meet with us.

In reference to these lease guidelines, I feel it's most important that something must be done to ensure the motoring public that the best of service is available at all times. I would appreciate the minister's comments on whether he feels he can iron out this matter through his ministry or whether he anticipates legislation or regulations to set out definite lease guidelines.

Further, I feel quite strongly about another problem that is facing these dealers; that is the subject of gas bar operations. In doing a little research on this matter, I recently read an editorial in the Oakville Daily Journal-Record in reply to a letter from the minister. I would like to just put it on the record, because I feel this is a matter that should be considered. I know it's being considered but I think it should be considered further, to make certain that public safety is considered to the fullest. I would just like to put this editorial on the record.

> It is comforting indeed that the Ontario government has recognized the potential dangers of the self-serve gas bar, but it is not comforting at all that, having recognized them, the province has chosen to do precious little to protect us from them.
>
> Queen's Park, in the person of one John Clement—Minister of Consumer and Commercial Relations—undoubtedly would find that conclusion hard to swallow and wonder why this newspaper seems bent on making such ado about nothing.
>
> Clement, if you'll recall, recently went to all the trouble of writing to us to calm our fears that the "pump-it-yourself" facility is really a potential neighbourhood inferno in disguise. He assured us that the self-serve gas bar's record of safety speaks for itself, that constant surveillance by municipal fire officials and inspectors from his ministry's energy branch has led to a marked reduction in gasoline spillage during refuelling and a co-operative spirit on the part of the motoring public that has been simply super; that a complex network of fail-safe mechanisms would allow for immediate shutdown should anything go wrong; that there are hazards wherever highly volatile fuel is handled and that we shouldn't worry about staggering drunks igniting themselves and everything around because they probably couldn't even find the gas station (a nice touch of graveyard humour, that).
>
> In short, the minister was pleased to inform us that Queen's Park has proved to its own satisfaction, and, if we'd be at all reasonable about it, to ours, that the self-serve gas bar is safe, harmless and an all-round good idea.
>
> Sorry to appear unreasonable, Mr. Minister, but we're not satisfied.
>
> We're not satisfied because your argument, for all its surface appeal, boils down in the final analysis to the single questionable premise that because nothing has happened so far, nothing will. And apart from its dubious logic, we're not satisfied because your argument, well-meaning though it no doubt is, ignores both the little-known eccentricities of pumping gasoline and the unfortunate, if understandable, frailities of the average motorist, no matter how co-operative and conscientious he may be.
>
> It is a fact that the deceptively simple act of pumping gas can take months to master, and remain even then a risky business. It is a fact that service station employes are so cautious that they don't wear shoes with nailed-on soles, just for fear a clicking up a spark. It is a fact that gas vapours building in a near-empty tank whoosh to the top the second the gas cap is released with enough force to splash fuel on even the most seasoned attendant. It is a fact that not merely a dangling cigarette, but a wayward ash and even a spark tossed off by a passing truck could result in disaster.
>
> Facts known well by veteran gas dealers, who know, too, that they can't always prevent things from happening—they can only hope to cope with them once they do, relying on years of experience. The average motorist, though, is aware of few of these things, and sorely ill-equipped either by experience or calling to cope with them once they happen, as undoubtedly they will at the self-serve gas bar.
>
> And then there's the not-so-average motorist, the drunk—the staggering, bleary-eyed fellow you dismiss so glibly. Our mistake, that, for portraying him so graphically; but your mistake, too, for making a

joke of it. For you know as well as we that it takes only a few beers or a couple of highballs to dull the senses, dull them just enough, perhaps, for that fatal careless mistake—and how is the gas bar attendant to know, until it's too late?

And as for the co-operative spirit of the motoring public you were so quick to extol, the holiday highway death list is proof enough of just how co-operative we really are.

No, Mr. Minister, we're not satisfied. Nor should you be. For you see, by taking the gas pump out of the hands of professionals and putting it into the hands of amateurs, you've provided us with just one more way of killing each other. And for what? A few pennies, no more. Of course, you don't see. And you probably won't until some self-serve gas bar some where, some day becomes the inferno we fear.

And by then, it won't matter.

That was a fairly lengthy editorial, but I thought it was worth putting on record, particularly when he said "and for what—a few pennies more." Because when you look at the price of gas, the saving of gas, and you do a little figuring, you'll note that if you drive a car 10,000 miles a year and if you save seven cents a gallon, assuming you get 30 miles per gallon in your car, you will save $23.31 in a year.

Mr. I. Deans (Wentworth): Who gets 30 miles per gallon?

Mr. S. Lewis (Scarborough West): Not in a government limousine, I can tell you.

Mr. J. R. Breithaupt (Kitchener): Some cars do.

Mr. Edighoffer: I think saving is important, but you are in trouble if you run out of oil on the highway because you filled your own tank and you haven't checked your oil. I don't think it's really much of a saving. So I ask you, Mr. Minister, are you really concerned that self-service gas bars are 90, 95 or 100 per cent safe for the motoring public?

I guess, Mr. Chairman, there are many other areas I could cover, but I'll just leave that for the vote by vote, and thank you very much.

Mr. Chairman: The hon. member for Riverdale—oh, I am sorry, the Leader of the New Democratic Party.

Mr. Lewis: Mr. Chairman, I specifically asked to have the opportunity to lead off, because I wasn't invited last night.

Hon. Mr. Clement: You were, but your cheque bounced.

Mr. Lewis: No, don't slander me, my friend—$10 I can afford. Had it been double that, the minister might be right.

Mr. Breithaupt: Just as long as there is the limousine to get back and forth.

Mr. Lewis: I must say that I would have loved to be there. In fact, I had rehearsed while I was on the road a number of one-liners that would have endeared me even to some of the Tories, and certainly to the minister.

He is a man of extraordinary vitality and wit. He is the Puck of the Legislature, as it were.

Hon. Mr. Clement: Is that what it is?

Mr. Lewis: Some of us won't misinterpret it. I am really pleased that his colleagues paid him the homage they did, because I am one of the people who thinks it was much merited.

I wanted to take the opportunity on behalf of the NDP caucus to put again, I suppose, the kinds of propositions which we have been putting several times in this House about the role of the minister of Consumer and Commercial Relations in a broader sense. And I also wanted to do it because I'm one of those eccentrics who reads some of your reports fairly carefully, particularly your study on the profitability of food companies. I wanted to have something to say, not so much about the part one, but a little bit about the part two in the context of some overall observations.

Let me try to make them relatively quickly so that I don't bear unduly on the time of the House. Mr. Chairman, we would wish that this ministry be completely transformed, or perhaps that this minister be given powers extended beyond those which he now has, to make him and to make of his ministry the consumer champions for the province.

I think there is a desperate need for that in Ontario. I think there should be some ministry in this cabinet—and this is the ministry, and in a very real sense, this is the minister; although I must say I find it a little ominous that he is sitting in the seat he is now occupying, because I have no doubt he will be Treasurer before the fall of 1975. But I worry about what happens to this portfolio when he inherits the mantle which is—

Hon. Mr. Clement: Keep talking like that and I might be out of work, too.

Mr. Lewis: As a matter of fact, I thought if I complimented him strongly enough he would be demoted quickly.

Mr. P. G. Givens (York-Forest Hill): Why is the leader of the NDP so nice to him?

Mr. Lewis: Why am I so nice to him? I like him. Is that all right? I think he is able. He has some flexibility and a social philosophy as intractable as hell; but that's all right, at least it is real. It is a social philosophy with which one deals. He is one of the more lovable neanderthals in the House— and that doesn't happen very often, does it? No; so one cherishes those moments, passing through these extraordinary chambers.

I would truly like to see—all of us would like to see—the whole ministry revised so that the ombudsman feature of it, the consumer protection feature of it, consisted of something rather more than a creative Business Practices Act; consisted of a championing which moved into the field of profits and prices. In other words, precisely into the field where our social philosophies perhaps clash.

Maybe the social philosophies don't just clash. Maybe the views of jurisdiction clash as well, because when we forever ask the question—repeating the refrain until the minister finds it unbearable—of who protects the consumers of Ontario, there is a tendency to feel that's the job of the federal government and that, in fact, inflation being what it is and the cost of living being what it is, that it's impossible for Ontario to fulfil any role other than to monitor what is occurring and to express cries of enthusiasm or gloom, depending on the situation.

Mr. Chairman, everyone in this House accepts the phenomenon of world-wide inflation. Everybody accepts the effects on Canada's economy of the European Common Market and of the United States and the facts of national inflationary trends. But we argue, in a way in which the government refuses to argue, that there is some very major provincial responsibility.

Look at this sticker. Would you believe that? I'll take it off when I'm finished. As a matter of fact, when I'm finished you'll walk across the floor and take it off me yourself, okay?

Mr. Givens: He may walk across the floor and kiss you.

Mr. Lewis: No, just a second. You're really a little worried, are you?

Mr. Givens: You've got a passion for the guy.

Mr. Lewis: What have you got?

Mr. Givens: Listen to yourself.

Mr. Lewis: Look, you have your own psychoanalytic views.

Mr. Givens: I've never heard you like that.

Hon. Mr. Clement: He is a very nice guy.

Mr. Givens: You may live to regret what you're saying.

Mr. Lewis: I won't live to regret what I'm saying at all. I refuse to be abused because I finally identified one Tory in that entire mass for whom I can have some affection. That's a matter which—

Hon. Mr. Clement: That is the kiss of death.

Mr. Lewis: Of course it's a kiss of death for you. What do you think this is? It's not a Machiavellian scheme on my part. Do you believe that I'm expressing sentiments which are real? This isn't the most manipulative speech I've ever made in this House and I'm hoping that it's noted sufficiently so that you won't be in your seat for another 24 hours.

I know that we have a very basic difference and I want to itemize it just a little. If we're going to transform the whole ministry into a kind of consumer-protection, consumer-champion, consumer-ombudsman ministry, then the minister and his civil servants have to see their whole role in a different way; and the entire cabinet has to redefine the role of the minister in a slightly different way. We accept the influences within the country and abroad for inflation. We refuse to accept what we regard as the provincial cop-out. We refuse to accept that it is necessary for the provincial government to surrender entirely its public responsibility of protecting the consumer.

I cannot imagine a government in this country, I know not one where on every single important price issue—whether it's food, automobile insurance, oil and gas, automobile production itself or rents—I cannot think of another jurisdiction in this country where a provincial government has completely abdicated its responsibilities to defend the public.

From British Columbia, where they are monitoring the changes in food prices across the province, through to Nova Scotia, where the Public Utilities Commission has now given itself authority to roll back illegitimate fuel increases, right across Canada there is a sense that a government must protect its con-

sumers, except in Ontario where this government has entered into the most unlovely relationship with every corporate area imaginable to acquiesce in the illegitimate price-setting of unreasonable prices for consumers in the province; and it has to come to an end.

Your ministry is the only ministry that makes sense. As a matter of fact, the Premier (Mr. Davis) is, in a sense, constantly deferring to you. He is constantly indicating in his responses to questions that this is your ministry's responsibility. He talks about his colleague, the Minister of Consumer and Commercial Relations taking responsibility for this field, and in the sense that you have done the food profitability studies you have already indicated yourself that this is an area where you should have some primary interest.

Let me just itemize the field. You could do it in two ways; you can do it indirectly or you can do it quite directly.

Indirectly, you should be saying to bodies like the Ontario Energy Board, and therefore to your cabinet mates: "We want to give to the Ontario Energy Board the full power to roll prices back."

When we talked to the Premier about rolling back oil and gas prices in Ontario, the Premier said to us that this was a jurisdictional matter and he wasn't at all sure that the province could handle it. Then the Province of Nova Scotia gave, as I said, to the Public Utilities Commission the right to roll prices back. They moved on Gulf, Shell and Esso. They dealt with bunker fuel and home fuel oil. The oil companies were so mad they took it to the court. The Supreme Court of Nova Scotia ruled, less than a month ago, that the Public Utilities Commission of Nova Scotia had the right, and now those companies retroactively have to return to the consumers the amount of money they took from them unreasonably.

Now, if that is possible in the Province of Nova Scotia, why isn't it possible in the Province of Ontario? The Province of Ontario was traduced more effectively by the oil companies in the federal-provincial conference than was any other province in Canada. The Province of Ontario has suffered more from the stored-up inventories of the oil companies, on which they are receiving exhorbitant returns, than any other province in Canada. Imperial Oil has registered a nine-month net profit of $252 million, an almost astronomic increase over last year, which was an astronomic increase over the previous year. That is almost $1 million a day net profit.

I don't know what it is philosophically about you people that allows the oil companies to get away with that kind of price manipulation in Ontario. You don't have any compunction about Ontario Hydro: you make them come before the Ontario Energy Board. You don't have any compunction about consumers or unions; you make them come before the Ontario Energy Board. But where the oil companies are concerned you say Ontario is the mat on which they walk without violation.

What we are saying is that this minister and this ministry should give protection to the consumer in that sense, should be the champion of the proposition both in cabinet and out, that fuel and gasoline price increases are now so essential, given the energy situation, that the Energy Board should have the right to roll it back. That is number one.

We also think that, again in an indirect way, your ministry has to have something to say about the impossible situation in rental housing and that it cannot be allowed to continue. If the cabinet is so intractible that it cannot bring itself to rent control, at least it can bring itself to rent review. Without it you are literally destroying the lives of families in economic terms, because they cannot afford the rent increases.

My colleague from Wentworth is going to have more to say about that role of your ministry as well, spelling it out in specific terms, because we have thought it through fairly carefully.

Your ministry, also has, however, very direct functions. One of the direct functions is the area of automobile insurance, and I am going to avoid the philosophic debate with you about public automobile insurance and private automobile insurance, because the endless comparisons which we would get into would serve neither of us. We would both be right and we would both be as self-righteous as can be, absolutely certain of our own virtue and argument. So why the devil enter into it if it is unnecessary?

But let me challenge the minister on another front. Let me say to the minister that if he insists on private automobile insurance, if the minister insists that that must be the form in Ontario, then again something has to be done to protect the consumers of this province. When we raised with you some months ago the abrupt increase in automobile insurance rates in the Province of Ontario, you were a little defensive but you said that you had your superintendent of insurance, who looked at

the figures and who approved them and then the rates were applied.

I pick up the paper—I guess I remember it because I remember that it was the Thursday before election day in Cornwall, and I was speaking to a group of students at a collegiate who had seen the increase and asked about it, so it must have been somewhere around Oct. 10, which isn't very long ago—at any rate, I noted that the automobile insurance industry announced that we were going to have another 15 per cent increase entirely possible in automobile insurance rates. Now I say to you, on what basis do they have the right to make that kind of determination? They are subject to no one's scrutiny. It is quite incredible.

The superintendent of insurance plays the role of that person who sees that the arithmetic is right. But the superintendent of insurance doesn't challenge the calculations. The superintendent of insurance doesn't demand that all the books be opened. The superintendent of insurance doesn't look back on return on investment. The superintendent of insurance doesn't see what portion of the business is automobile insurance and other aspects of the insurance industry.

There is no public accountability. What right do the insurance companies of Ontario and of Canada have to hold the public to ransom while everybody capitulates in the government.

A 19 per cent increment at the beginning of the year; another 15 per cent now. For what? To fatten the coffers of the insurance companies in Canada. Absurdity! Who protects the consumer of Ontario? Not this minister, directly or indirectly.

There must be a publicly accountable forum. The Liberals have suggested a select committee of the House, or a standing committee of members. That has never appealed to us very much. The capacity for expertise among members of the House is okay in a one-issue situation like the Ontario Hydro building, but I am not sure that it would work in terms of a constant examination of price increases. What you need, and what I will come to, is some kind of overall price review tribunal which has responsibility for everything from food to rents, even though there may be some specific agencies like the Ontario Energy Board, or a rate review board which works under that authority.

You also have the responsibility, albeit indirectly perhaps again, to deal with interest rates, to deal with increases in the costs of automobiles, to deal with the increase in bank rates.

You have a responsibility, somehow, to champion the consumer interest. When it comes to the cost of living the Tory party might as well not exist, and you think that somehow it's a federal responsibility. Will you forgive my gratuitous political observations for a moment? When you knock on doors anywhere in the province now, in one of the two by-elections that are taking place,—I don't extrapolate from the by-elections; I have understood since a long time ago that one by-election doesn't make a general election—when you knock on doors now in the Province of Ontario and people say that they are anti-government, it's a kind of amorphous sentiment. It's never defined very specifically. You have to push a little bit, talk to them personally, if you want a definition of what the objectionability consists. And when you push a little bit, when you talk to voters, as is now being done by everybody in Carleton East and was done recently in Stormont, prices always emerge as the central reality.

There is another reality. It's the personalizing of the resentment, but I'll leave that aside. The issue reality tends to be prices. And no one out there, quite rightly, has any sense at all that the government of Ontario is concerned about prices. You see, federally, even though Pierre Trudeau couldn't handle inflation adequately — and even though people voted against Bob Stanfield because of the prices and wages freeze—there was some vague sense in the electorate that inflation was tough, yes, but Pierre Trudeau was at least trying, and there were some interventions by way of subsidy and there was some kind of bench mark that suggested an interest.

But in the Province of Ontario there's no interest at all. There isn't a single initiative on any front which suggests the slightest concern about protecting the consumer of this province; not a single initiative—not in any area about which people are exorcised. And I think that's what's causing tremendous political alienation and hostility all over the province.

Now you'll make your decision as to how you'll handle it, obviously. But I know from experience now, and I think it is generally being conceded, that if you don't act on oil and gasoline and if you don't act on milk and if you don't act on food prices generally, and if you don't act on insurance premiums and if you don't act on rents, and if you don't act on bank rates and you don't act on interest rates, then it begins to come clear

to Ontario that the Conservatives don't give a damn about the cost of living.

Mr. D. C. MacDonald (York South): And it's true.

Mr. Lewis: Forgive the language. It is, of course, true. Because if you were—

Mr. Stokes: You haven't taken one initiative.

Mr. Lewis: Does the member for Victoria-Haliburton (Mr. R. G. Hodgson) want to interject?

You show me the initiative. We will respect them when they occur. But there hasn't been a single initiative of this kind; not one. And that's why we wanted to focus it around this minister, because this is where the crux comes.

Now this minister, who's had to answer the outrage of the opposition from time to time, at least felt serious enough about it to enter into the food profitability surveys. Everybody in Ontarlio understands the question of food and food costs. And you undertook two surveys of 16 companies to see whether there was any profitability or not. The first survey was 1968 to 1973; it was survey, part one.

Now I'm not going to say anything about that survey in specific terms, except to assert, Mr. Chairman, however unfriendly it may be, that that survey was designed in advance to demonstrate that excess profits were not possible. That survey was predetermined. That survey was, in fact, intellectually dishonest; and I don't say that kind of thing about that kind of document very often.

Now, I'm not at all sure that was a deliberate or conscious intellectual dishonesty. That was the quality of the survey.

When we looked at it in our research department we looked at the kind of economic analysis which was undertaken in that survey and realized that the economic formula which was fashioned meant that it was impossible to find an excess profit. The formula did not permit an excess of profit. What you were doing was simply serving the food industry in showing to the public what they had been arguing all along.

As a matter of fact, I was so intrigued by the economic calculation, Mr. Minister, that we set it all out. We set it all out on paper —where A equals and B equals and X, Y and Z equals—and I have the entire formula. As a matter of fact, it is our intention at some point in the near future just to release it, so that at least the gallery, the media and the House can chortle about the way in which the first profitability survey deliberately set out to demonstrate that an excess profit was not possible. You get zeros on both sides of the equal sign.

Now, the second survey is rather different I wondered why the second survey was not ready by the end of June, 1974, when the minister had indicated it would be. I think he felt initially it would be ready around the third week of June, 1974. And it kept on being delayed.

The second survey has a much more sophisticated rationalization for the food industry. The second survey is much more subtle, and, in its own way, acute. I would make no demeaning remarks about the quality of the second survey. I'm going to differ with its content, but I understand that rather more care in terms of analysis went into the second survey than went into the first.

This second survey is just out. It is entitled "A Study of Profiitability for 16 Canadian Food Companies, Part Two: 1973-1974." The survey adds up to an apologia on the part of the ministry for the food industry.

I want to deal with just a number of specific items in the survey and then bring this to an end. On page 2, section II, in reviewing the background to this study, it savs in paragraph 3: "Several questions naturally arose: Have food industry profits been a major contributor to this food price inflation?"

Mr. Minister, that question having been asked, it was never answered. At no point in that entire survey was that question ever answered. They asked it and they dropped it— and it's a pretty critical question. Interestingly enough, Beryl Plumptre tried to answer it—and I'll come to that in a few minutes—but the people who were involved in the survey, some of whom were from the ministry and some from outside, never tried to answer the question as to whether or not food industry profits had been a major contributor to this food price inflation. They just let that go entirely and moved on to the other factors, the fundamental factors: "Have food companies taken advantage of price instability to make excessive profits?"

Then, as one moves through the survey, dealing with the key parts, it says about the scope of this study:

"No attempt was made to conduct interviews with the companies to obtain additional information." Everything that was used was

based on the annual financial reports of the companies—that's all—released to the public under provincial disclosure requirements. There are a great many questions that could have been asked, had this been a rather more serious study.

The outcome of that refusal to acquire information beyond the financial reports is contained in the first sentence of paragraph 3 of page 4: "The part two analysis is not based upon the 16 companies in part one." In other words, the comparisons are dubious.

There were at least four companies in the second study from whom they couldn't even get annual reports or statistical material in time. And so they were necessarily limited in the kind of analysis they could do because they were not able or did not require the information from those companies.

But that's just by way of background. Let me go to page 9, "General Analysis: What is profiteering?" This is what the report says:

> Two assumptions have been made in the attempt to define and isolate profiteering.
>
> Profiteering stems from a conscious and deliberate decision to take advantage of a period of scarcity or market confusion by changing pricing policies such as percentage markups. Maintaining the same pricing policies in differing market conditions is not considered to be profiteering.
>
> Profiteering will be observable in that a profiteering company will have financial data substantially different from the industry as a whole. The assumption is that profiteering would take place on a company basis rather than industry-wide.

An hon. member: Balderdash.

Mr. Lewis: What right has any economist to make the assumption that profiteering would take place in the financial statements or behaviour of a company rather than industry-wide?

The report also says: "The ministry is not in a position to challenge this assumption." What does the report mean when it says the ministry is not in a position to challenge this assumption? It's not up to this government to abdicate to the federal government the right to determine.

If I was making an assumption about the supermarket industry, and I sat in the House and heard the prices quoted by my colleague from Wentworth for half a dozen supermarkets in the Hamilton area over an extended period of time, my assumption would be that profiteering is industry-wide. That would be the assumption I'd start from, because there's a lot more evidence to suggest that than there is evidence to suggest that it's confined to an individual company.

The analysis was prejudiced from the outset by that assumption. Profiteering in the supermarket industry, if it exists anywhere, is industry-wide. There are no great variations for the individual companies of a kind that would give validity to this assumption; and this assumption prejudices the study.

The report goes on to make other assumptions about the whole role of the markup, which absolutely flummoxes me; I really don't know how it's arrived at or how it's justified or legitimized.

You say on page 17:

> "The standard percentage markup still common in most industries serves to magnify the impact of higher costs and prices and to increase profits without necessarily providing more or better products or services and is therefore also a contributing factor to inflation. It was not within the scope of this study nor do we have the necessary information to make recommendations on food product markups. Nonetheless, the industry, in concert if possible, should undertake its own review of the percentage markup system.

What you argued in your press release which accompanied the document was that the percentage markup system was simply the pattern in the food industry and that that didn't amount to profiteering.

Look, Mr. Chairman, I think this document proves profiteering in the supermarket industry. Let me put it in simple dollars and cents terms. If you have a product that sells for 50 cents at the wholesale level and your markup is 10 per cent, it sells at 55 cents at the retail. That wholesale price goes up to 75 cents, let us say. The same 10 per cent markup is applied to the 75-cent figure and the product then becomes 82.5 cents, presumably 83 cents.

In other words, by using the percentage markup as the basis for supermarket price costing, you increase substantially the amount that is charged the consumer without any additional operating costs, without any additional labour, and without any additional overhead. It is a straight addition of profit tacked on at the end for no reason at all, and that's called profiteering. That's what it is called.

Your ministry and the people who did this study were sufficiently anxious about it that they suggested maybe the markup provision should have a sliding scale and they sug-

gested that maybe the company should undertake an internal review; because you knew, as we know, that the practice is obscene. When you have an inflationary situation, when the prices are escalating beyond control and you provide the same percentage application to an increased wholesale price and you add it on in the supermarket, what you are doing is gouging the consumer, what you are doing is profiteering. It is not just the normal application of the markup that has been used for years and generations in the industry. It is, to use the phrase of the report: "A conscious and deliberate use of pricing policy to profiteer."

That is just unconscionable. It's just indefensible. I think that the implications of this document—as a matter of fact, one of your statements in the press release which you appended to it was really revealing — and what is clear in this document is that your people established profiteering in the supermarket industry in Ontario and you didn't want to say so; you established it in the markup policies of the supermarkets and you didn't want to say so.

Sure, there may be increased labour costs. Sure, there may be increased operating costs or replacement costs for the company. I don't deny that. But that doesn't give them the right to provide the same precentage markup at the retail side as at the wholesale, just as though it was right across the board.

That's profiteering. That's what it is all about. That's why the returns on investment were what they were in 1973. That's why the net worth is what it is in 1973, because the companies profiteered.

Your statement said they weren't profiteering because you couldn't deal with the markup, and the press picked it up. It's one of the endless and inconsolable things about it. You put out a statement like this, a summary is read, your press release which accompanies it is read, and then it is trotted out in the press as though it were holy writ.

This document shows profiteering in the supermarket industry, and all around the province the word was "no profiteering" in the chain stores, in the food stores. Now you are letting them handle that percentage markup as though you don't care about it.

But it isn't outside your jurisdiction! That again demonstrates the absence of consumer protection in the government of Ontario.

The minister was so concerned about it that he put out a release asking the supermarkets to engage in an internal review and perhaps look at a sliding scale. Why do you want the supermarkets to do that? Because you see that the consumers are being ripped off in an inflationary period by an inappropriate use of percentage markups. Then if you see that and you believe in defending the consumer, how come you relinquish the right for internal review to the supermarkets?

Finally, after God knows how many years, you are now talking about the police, investigate the police. How come are you letting the supermarkets review the supermarkets? What kind of defence of the consumer do you think that will be?

You are really tied in with those supermarkets. The whole cabinet, in conspiratorial terms, is as one with the food industry. They can do no wrong for the Tories in Ontario. You can document their wrongs yourself in your own reports and then refuse to see the implications.

As a matter of fact, it goes even further than that, because when you looked at your own report, you went further. The report itself said you agreed. Point 4 on page 17 refers to "no incentive to fight inflation." Look at what the reports says.

> It is evident from the analysis that food companies have little difficulty passing on rising costs in the form of higher prices. A marketing system which makes this possible may have some desirable quantities from the corporate financial point of view, but it does not provide much incentive to companies to hold the line on costs.

Well, what provides an incentive to the companies, if not the government of Ontario? Is it your job to allow pricing policies which encourage corporate profits that don't hold the line on costs? Is that the policy of the government?

Hey people, come on in, the market is yours; charge what it will bear, no intervention from the Province of Ontario. You have got it all before you, it is set out in black and white.

Mr. R. G. Hodgson (Victoria Haliburton): Just found your vocation!

Mr. Lewis: Do you want to enter the debate?

Mr. R. G. Hodgson: No. But I said you just found your vocation in life as a sideshow barker.

Mr. Lewis: Fine, good, okay. Thank you for the contribution.

If you want seriously to do something about it, if you have this kind of report, then you simply intervene. I guess I am

speaking out of a certain bewilderment about it, because you have taken a document and a study which shows profiteering in the food companies and you have so artfully twisted it around that you end up in a little cabal with the companies to protect their profits and to protect their pricing policies. Every day it continues you gouge the consumer yet again, and it has to come to an end.

The report shows more than that. The report shows net returns on investment and annual profits so high that the Minister of Consumer and Commercial Relations felt it necessary to make a statement in his press release which appears nowhere in the report. I was really fascinated by that. Nowhere in the report does it appear, but in your press release it does. In your press release, on page 3 you say:

> The study shows some of the companies are receiving fairly high rates of return. Further profit increases on the scale of 1973 don't appear to be necessary for these companies because they are already sufficiently profitable to do whatever they have to do.

That's not in the report. Those are your words, John Clement's words. You uttered them because you looked at table 1 and saw those returns on investment – 11.9, 10.6, 10.9, 18.6, 17.4, 13.8, 12.4, 16. You couldn't believe it. You saw the returns, you saw the profits; and you could hardly believe it. Realizing the implications of this kind of document, you appended the sentence which said the profit levels were so high in 1973 they really don't have to go up any more.

Well if you don't really think they have to go up any more, what are you going to do if they do go up? What do your words mean, Mr. Minister? You say in black and white:

> Further profit increases on the scale of 1973 don't appear to be necessary for these companies because they are already sufficiently profitable.

What now do you do? Do you allow them to increase their profit beyond the scale of 1973, which even you recognize as sufficient? What do you do in the case of Maple Leaf Mills, which was part of your study, for which the profits in 1972-1973 were 49.5 per cent and whose profits for the first six months of 1974 are 68.9 per cent. What do you do with that?

You say in your report that they have already a high enough profit that they don't need any more. In the first six months of 1974 they are significantly ahead of what you have listed in table 1 for 1972-1973 at 49.5. What are you going to do about that? Do you not call that gouging? You've set your own definition.

What do you do about Canada Safeway Ltd. For the 1972-1973 period the total profit increase was 9.2 per cent; for the 24 weeks ended June 15, 1974, it is 41.1 per cent. What are you going to do about them? They are exceeding the profit level which you thought adequate. Are you going to do anything about them?

What are you going to do about Dominion Stores and Burns Food; and I could name several of the others whose profit levels in 1974 are almost identical to the profit levels of 1973 already, for this part of the year. What do you do with those companies, which are clearly in violation of the principles that you have now set out on the basis of your own report?

Are you aware that in the major Financial Post analysis of food companies, of eight companies surveyed sales were up 24.9 per cent over the first half of 1973 while profits increased a dramatic 55.1 per cent? You say that the profits in 1973 were already high enough. You have documentation that they are up by 55 per cent in the first half of 1974. I am asking you, what are you going to do about it?

Who protects the consumer of Ontario? You put out a report showing markups which amount to profiteering by use of the percentage application. You put out a report which said that 1973 is high enough for the return on investment. You then have evidence that they continued to go up beyond 1973. Who protects the consumers of Ontario? No one in the Conservative government. It is a complete and total abdication of responsibility, and on the basis of your own figures.

When you look at the food companies overall, and when you look at the ways in which food profits are measured—and there are three ways; the net income on net sales, the return on invested capital and the return on common equity—let me give you, from a sample of the major sectors of the economy, beverages, food processing, and so on, what the increase has been for these companies in the last year in terms of these indices. As a matter of fact, let me confine myself purely to food processing, since that is the important one.

The increase in 1973 over the previous 10 years for net income on sales is five per cent. The increase in return on invested

capital is 53 per cent and the increase in return on common equity is 61 per cent. That is just for the year 1973 over and above the average for the previous 10 years; and the average for the previous 10 years in terms of return on investment is not too bad on balance. Even the Financial Post admits it is not too bad on balance.

All of that, which is contained now more particularly in your new profitability study, being turned into a modest return by the company in 1974, and there is no protection for the consumer from any flank of the government of Ontario.

I get worried about using all of the figures, but it has always seemed to us that it should be possible to keep the food industry at a fair rate of return on investment. I think it seems reasonable to the minister, because he has indicated most of them don't need profits beyond the levels of 1973.

Leave them at a reasonable net return on investment, and what would that mean to the consumer? It would mean an enormous saving to the consumer.

The first question in this study: "What do food profits have to do with food prices?" —which was never answered—was answered by Beryl Plumptre. What her survey pointed out was that if you kept the net return at the same level for two or three years, the savings to the consumer were enormous.

Food companies could have shaved 1.6 percentage points off the 18.8 per cent rise in food prices last year if they had held their profit growth to a normal rate, the Food Prices Review Board reports. It would have meant a saving of $160 million last year for consumers. That's not to be laughed at. And because some of the rates of return are already too high, and might be lowered a little, the savings for Ontario would be enormous.

What we are saying in the NDP caucus is that this ministry has to be transformed. The whole ministry is behaving like a bunch of pantywaists when it deals with consumer protection. They simply copped out; they don't care. They play musical chairs with the supermarket industry; they consort with them willingly. And they laugh and fob people off. All the ministry remind me of Marc Lalonde, with his impecunious income, telling people to buy powdered milk rather than real milk, because it is too costly. Every strategy in the world is devised except that of protecting the consumer by intervening with the corporate sector. And that has to come to an end.

A suggestion has been made recently by the Leader of the Opposition—and it has been made many times—that comparison shopping might be done by the Ontario Food Council under this minister's aegis. It is not a bad idea—but he'll probably never get around to it.

I was kind of heartened by Beryl Plumptre's announcement today that they were thinking of moving the food survey out of Ottawa-Hull and into other parts of the country, perhaps into other parts of Ontario. Does the minister know that two months after the food surveys began in Ottawa-Hull the price of food in certain of the supermarkets dropped 4.4 per cent? That's called protecting the consumer. What happens in the case of the Ontario government, which won't intervene?

We in the New Democratic caucus would like to go even further. We would like to ask the Ontario Food Council to monitor, in major supermarket chains, in all geographical areas of the province, twice a month, the prices paid from the farm gate to the checkout counter, and publish them publicly. If the changes in price, markup and inflationary point are monitored every step of the way, that will have a more dramatic effect in bringing down prices generally than anything other than legislation, which we think a prices review tribunal should have the power to exact.

In other words, we don't care what initiative it is—well, we do; we have our own priorities—we just say to the government that it has to do something about inflation and the cost of living in Ontario.

This ministry is called the Ministry of Consumer and Commercial Relations, right? It deals with the stock exchange, with liquor, with insurance, with vital statistics, with fair business practices; it deals with everything but what is central to the life of Ontario, namely the championing of the consumer interest—and that has to come frome someone in the cabinet, it has to come from some ministry.

Was there ever a greater chonicle or litany of failure than that facing the ministry over the last year and half to two years?

Gasoline prices at the pump—failure; home fuel oil prices—failure; milk prices—failure; food prices generally—failure; auto insurance premiums, failure; costs of automobiles themselves—Ford, Chrysler, GM—failure; interest rates—failure.

You name it, the government fails.

Rent control or rent review in the staggering housing market—failure. Every single thing that involves consumer protection, this government has failed. Failed to intervene, failed to roll back, failed to take action.

My colleague from Wentworth says "lots of studies", and that's entirely true. You've had some studies and without impugning the work of the second, they are essentially bogus studies. The interpretation of the studies isn't what they say.

This document shows profiteering, and the document shows illegitimate profits and the document shows excessive rates of return on investment; and your accompanying release and observation demonstrates it, but you still won't move.

What does it take, another demonstration on the steps of Queen's Park? Two by-elections? The loss of power? What does it take to bring the Conservative government to its senses?

Testimonial dinners are not enough. They're fun. They're interludes. But they're not enough. Now what we are asking of you as a caucus, as a party, is to set up a major prices review tribunal, which has a number of arms. It has the Ontario Food Council to do comparison shopping and monitoring of everything from the farm gate to the cash register. It has the Ontario Energy Board. These are all things which now exist. It has the Ontario Energy Board to make sure that oil and gasoline prices are brought into account.

It has, in other words, mechanisms now extant which it supervises. It has one new direct function, and that is in the area of food and the supermarket industry. Presumably the kind of rent review which now exists, or the rental complaints or whatever which now exist, in I guess the A.G.'s department, can be expanded to handle the rent proposition. In other words, we're saying to you the mechanisms are there. Now it requires an act of government policy.

I don't know when it's going to come, but it has to come, because the consumers of Ontario are totally helpless at the hands of this government. When it comes to the crunch, this government sides with the corporations every time—mindlessly, obediently and in a way which is quite unlovely in its consequences.

The consumers are paying too much. They have no protection. They have no champions. They have no ombudsman. They have nothing in Ontario. And this is the ministry where it should all happen, and this is the minister who has to instruct its occurring. And this is the government, however under siege it may feel, which has to recognize that the cost of living is not a joke; it's the most serious thing that faces people in the province and you must intervene!

Mr. J. A. Renwick (Riverdale): Mr. Chairman, I want to pick up where my leader has finished, and indicate to the minister that in addition to the kind of council that the leader of this party has spoken about for the protection of the consumer, there has got to be the reserve power within the government to control the prices of commodities.

I want to try for a very few minutes to lay to rest the suggestion that somehow or other this is an insoluble problem which constitutionally this government can pretend falls in the lap of the federal government. I want to spell it out just as clearly as I can, because when the honourable Herb Gray, the then Minister of Consumer and Corporate Affairs in Ottawa, established the Food Prices Review Board by order in council on May 25, 1973, in the area of federal responsibility, when he made the statement about the establishment of that board, he stated quite categorically that the federal government does not have the legislative authority to roll back or control specific prices.

I don't think there is a proposition of constitutional law more clear than that statement. And it was not made lightly or inadvisedly, because it is a fact under the constitution.

We have no other example in recent years of the way in which commodity prices could be controlled and the responsibility of the provincial governments under the constitution to have the reserve power, and where necessary to exercise it.

The example which I want to put on the record is in some specific detail just as to what exactly the government of Nova Scotia did when it was faced with this particular problem.

In relation to petroleum products in the Province of Nova Scotia, they amended their Gasoline Licensing Act. They did it in very clear, concise terms. They amended it at the end of 1973. And it is that decision of an appeal taken from the public utilities commissioners in Nova Scotia, to which my leader referred, which was upheld by the unanimous opinion and decision of the appeal division of the Supreme Court of Nova Scotia.

I had occasion to speak to the registrar of that court to find out whether or not there was going to be any appeal from that decision by Imperial Oil. His answer to me was, "no," there is going to be no appeal; and "yes," it was the unanimous decision.

I am suggesting to the minister that on the specific Act which they passed related to petroleum products that there is simply no reason why a generalized Act with respect to commodity price control in the Province of Ontario—to be exercised by the kind of council to which my leader has referred—could not be passed by this Legislature to provide the kind of reserve power which could be used in the kind of specific instance which the leader of the party has outlined in the course of his dissertation upon the food industry's report.

I'm not talking about the particular kind of problem, I'm talking about the kind of legislation, which in generalized form not only could be passed by the Province of Ontario, but under the constitution—if you are concerned about prices, concerned about the position of the consumer—you must of necessity draft and enact for the protection of the consumers in the Province of Ontario.

What they did was very simple. They, of course, amended the definition of the Act in order to include fuel oil, because it didn't happen to be included at that particular time. But there was a provision in the Act which stated what its purpose was, and that was section 13 of what was then the Gasoline Licensing Act and it said:

> This Act shall be interpreted and construed liberally in order to accomplish the purpose of regulating the distribution and sales of gasoline within Nova Scotia for use within the province.

They amended that by adding to it. And this is the kind of language which this government must adopt in the kind of commodities pricing control legislation which must be enacted in the province in the exercise of its constitutional duty and in order to establish the reserve powers which will show the government is seriously concerned and interested in the level of consumer prices in the Province of Ontario. They simply added on these words:

> And to ensure at all times a just and reasonable price, or change in price of gasoline or fuel oil to consumers within the province and in particular, without limiting the generality of the foregoing:
>
> (a) To protect the consumer from an unjust and unreasonable change in price of gasoline and fuel oil;
>
> (b) To ensure that a licensee shall receive a just and reasonable price for gasoline or fuel oil sold to a consumer;
>
> (c) To ensure that the price of gasoline or fuel oil reflects any subsidy or reimbursement that may be paid by Her Majesty, the Queen, in right of Canada with respect to the importing, refining, transportation, distributing or marketing of crude oil, gasoline or fuel oil;
>
> (d) To enable the board to obtain information respecting the purposes of this section and the provisions of this Act.

All right. I'm not going to go on at any great length. The rest of the statute is available to the minister. Indeed, the news report coming out of Halifax and reported by the Southam News Service was to the tenor that the Province of Ontario was looking at legislation such as this but was awaiting the result of the appeal to the Supreme Court of Nova Scotia. Well, that result is now out, and I do hope that there was some accuracy in the statement which was made that the government was considering such legislation.

The power under that Act as amended is vested in the Board of Public Utilities Commissioners. They exercised their power. Their power to do so was upheld unanimously by the court in Nova Scotia. The particular bill was Bill 46, which was an Act to amend chapter 177 of the Revised Statutes, 1967, the Gasoline and Fuel Oil Licensing Act of the Province of Nova Scotia.

Strangely enough—it was reported in the press, but it is worth commenting upon — when they initially responded in the Legislature in Nova Scotia to the problem in December, 1973, by enacting legislation which would give them the power to deal with increases in prices of gasoline and fuel oil, the principal witness on behalf of Imperial Oil, brought before the Board of Public Utilities Commissioners, made a couple of statements. He said that the price wasn't set for gasoline by any competitive mechanism, but was set by something called the "tone of the market." And he also said, of course, that should the Province of Nova Scotia dare to intrude on Imperial Oil — he hastily withdrew any implication that he was making a threat, but the inference was quite clear — they would divert the supplies elsewhere.

The government of Nova Scotia responded very, very quickly. It passed another bill, Bill 140, to provide an allocation scheme for the kind of refined petroleum products which were generated within the Province of Nova Scotia in order to provide a method by which they would prevent the diversion of the supplies available in Nova Scotia elsewhere outside the province, and they quickly amended the bill to which I referred, the Gasoline and Fuel Oil Licensing Act, to provide even sterner and tougher powers for the Board of Public Utilities Commissioners.

The minister, in a speech of his made not so many months ago prided the government of the Province of Ontario on their ability to respond to felt needs of the people in the community of the Province of Ontario. Well, the government of Nova Scotia responded emphatically and in no uncertain terms to the implicit threat put forward by the spokesman for Imperial Oil.

Probably the reason why no appeal was taken from the old legislation is because it was superseded by legislation which is even more constitutional in its implications and more within the purview of the Legislature of the Province of Nova Scotia than the previous legislation was. It requires antecedent review now of any proposed price increase, rather than allowing the industry to increase the prices as it did under the previous Act, and then provides for an application to refund and roll back the price retrospectively or retroactively, whichever is the proper term.

I want to leave that particular bill. I emphasize what I said — that our purpose was to illustrate that there is such a bill in existence in Nova Scotia which can be generalized to cover all commodities. I now want to take the liberty, because it is somewhat technical, of putting on the record the exact constitutional position and responsibility of the government of the Province of Ontario in this field of fixing commodity prices within the Province of Ontario.

I had occasion to consider this matter because it has been of great concern within our caucus. I want to put these particular statements clearly on the record, and I know, Mr. Chairman, you will permit me the luxury of reading them, because I want them to be precisely accurate so that there will be no misunderstanding about exactly the constitutional position of this government, its constitutional responsibility, and why it should do what we are asking that the government now do.

The Ontario Legislature can enact legislation fixing the prices of these commodities. In this particular instance I was also referring to gasoline and heating oil but I am speaking now of any commodity. The Ontario Legislature can enact legislation fixing the price of these commodities to the consumer in Ontario and legislation for this purpose could include provision for public review of the pricing policies of the oil companies in fixing consumer prices.

The constitutional statutory authority for this proposition is section 92, head 13, and when I refer in these particular comments to that Act, I am of course referring to the British North America Act, sections 91 and 92. These provide for the division of legislative, and therefore, by necessary consequence executive authority, flowing from the exercise of that legislative power between the federal government on the one hand and the Province of Ontario—and of course the other provinces—on the other hand.

Section 92, head 13, confers exclusive jurisdiction on the Ontario Legislature to pass laws relating to "property and civil rights" within the province. This phrase includes the power to legislate about domestic Ontario trade contracts, that is, contracts between parties in Ontario about commodities in Ontario to be supplied in Ontario.

There have been a series of constitutional cases which support this proposition. For the purpose of this memorandum, the following quotation is both succinct and authoritative, and I quote from the case of Shannon versus the Lower Mainland Dairy Products Board (1938) an appeal case which was in the Privy Council in England:

> It is now well settled that the enumeration in section 91 of [the federal government's power of] "the regulation of trade and commerce" as a class of subject over which the Dominion has exclusive legislative powers does not give the power to regulate for legitimate provincial purposes particular trades or businesses so far as the trade or business is confined to the province . . . and it follows that to the extent that the Dominion is forbidden to regulate within the province, the province itself has the right under its legislative powers over property and civil rights within the province.

While Ontario legislation can deal with domestic trade in gasoline and heating oil, it cannot, of course, deal with the export from Ontario or the import into Ontario of gaso-

line or heating oil, either by way of foreign trade or interprovincial trade.

The federal Parliament has exclusive jurisdiction under section 91(2)—the regulation of trade and commerce—to regulate foreign trade and interprovincial trade. This distinction between domestic trade being within the legislative competence of the Ontario Legislature and foreign trade and inter-provincial trade being within the legislative competence of the federal Parliament may mean that control over the petroleum industry and the major oil companies may require federal and provincial legislation on a co-ordinated and co-operative basis. The best statement of this problem of divided and, in a sense, competing jurisdiction, is in the Board of Commerce case—in re the Board of Commerce Act and the Combines and Fair Prices Act, 1919—which went to the Supreme Court of Canada in 1920 and to the Privy Council in 1922. I quote the judgement of the Privy Council in that case:

> It may be conceded that while section 18 [being that section of the Board of Commerce Act which was declared to be unconstitutional for the federal Parliament and which gave authority to fix prices] could in its very terms be validly enacted by a provincial legislature, the authority reposed in a commission created by such a legislature would not of course extend beyond the ambit of authority committed to the legislature itself and consequently such a commission would not acquire power to deal with matters belonging to the subjects of foreign trade, interprovincial trade, and the regulating of the management of Dominion undertakings and beyond the legitimate scope of the legislative activities of the province; but it does not follow because the Dominion could alone deal with these last-mentioned matters, it is itself authorized to enter upon fields exclusively reserved for the provinces, in order to carry out a legislative design necessarily incomplete without legislation on matters so exclusively reserved. Co-operation between the Dominion and the provinces may be necessary to attain the ends desired by the legislators and such co-operation is, of course, not unknown and has indeed in some cases been expressly provided for in Dominion legislation.

That ends the quotation from the Board of Commerce case.

While legislative co-operation may be necessary to bring about overall legislative control of the petroleum industry, it does not, however, affect the proposition stated originally in these remarks, namely that the Ontario Legislature has the power now to legislate unilaterally to fix domestic prices of gasoline and heating oil to Ontario consumers.

Co-operative legislation may be the only way ultimately to control the petroleum industry. There is, however, a possible constitutional opening for the federal government to take the initiative alone.

Bora Laskin, now Chief Justice of Canada, has a note on this question in his book on Canadian constitutional law. He comments that the historical legal arguments about the scope of the federal trade and commerce power led to a substantial inflexibility from which, in Laskin's opinion, there has been a retreat which is still in progress. In his note he attempts to chart the path of the retreat and he tries to make some assessment of its consequences. His view is that:

> The need to reconcile the power of the federal Parliament to make laws in relation to the regulation of trade and commerce, with the powers reposed in the provinces, cannot be lastingly met by imprisoning either the former or the latter within predetermined limits which take no account of social and economic change.

Laskin quotes, approvingly I think, a remark by Lord Porter in an Australian constitutional case in reference to an issue of validity raised by competing claims of legislative power that "the problem to be solved will often not be so much legal as political, social or economic yet it must be solved ultimately by a court of law."

In commenting further with reference to the reference re the Farm Products Marketing Act of Ontario in the Supreme Court of Canada in 1957, Laskin goes on to say that the court stirred itself on a central issue that was all but ignored in the Shannon case—what is meant by an "intraprovincial transaction."

> Reflection on this matter was important for two reasons: first because it related to the limits of provincial economic regulation in a more sophisticated sense than had been previously appreciated; and secondly, because the Supreme Court, following one or two suggestions in earlier decisions, was at last beginning to see that recognition of an appropriate scope for provincial regulation was not incompatible with a paramount federal policy in matters that in their totality transcend provincial management.

In this second respect there was an augury for an enlarged affirmative scope for the federal trade and commerce power.

Laskin concludes his note by saying:

> If the present trend continues, it should result in an approach to economic issues that will permit discussion of their ramifications and consequences without anterior limitations based on rigid preconceptions of what the words of section 91(2) [the trade and commerce power] mean.

I simply want to conclude this comment by saying that it remains to be seen whether the government of Canada will take the initiative indicated by this trend and whether the Supreme Court of Canada will uphold such an exercise by the federal government of an extension of constitutional power in this method.

But I want to say that in the long run this may be the only way to control the petroleum industry, particularly because of the extent to which it is controlled in Canada by multinational corporations.

Again, what may happen legislatively in the future does not affect the accuracy of the original proposition which I made in these remarks, that it is now within the legislative competence of the Province of Ontario, of this Legislature, to enact the kind of reserve legislation to provide for the control of commodity prices being supplied by people in Ontario to people in Ontario, for consumption and use in the Province of Ontario.

We'll put it on the record so that there will be no question about it that you have the constitutional obligation; that you don't share it with the federal government; that if anything is to be done by laws of this assembly in terms of legal protection of the consumer population of the Province of Ontario, of which we are all participants, then you cannot escape your responsibility to carry out that particular exercise of your constitutional legislative responsibility.

I emphasize that it is within the framework of the kind of review council that the leader of this party has referred to, that if the determination of the government is to be shown adequately and effectively, that council must be in a position to have that kind of reserve backup legislation. That can be extended, as the minister well knows, to cover a great many of the service fields as well as the commodity fields to which the leader of the party referred in his opening remarks in this particular Legislature.

I want to turn now to another element of that question of the constitutional responsibility of the government of the Province of Ontario, assuming for a moment that I can find the correspondence which deals with it. I want to deal with a matter which I raised with the minister a year ago. I have had no response from him since that time of any kind. That is the question of unit pricing.

I sometimes, in a fit of exasperation, wish that the federal government had stayed out of the field of consumer protection because it constantly allows gaps in the kind of consumer protection laws that we must have. On many occasions the government of the Province of Ontario willingly enlarges the gap and willingly uses the federal government as a scapegoat for not taking its particular constitutional responsibilities seriously.

If, in fact, you are going to control consumer prices in the Province of Ontario in commodities and, particularly, in food commodities or commodities which are sold in chain stores of one kind or another, you cannot possibly do it unless you provide a unit pricing system that will permit the consumer, when he does the shopping, to make the comparison. I defy anyone to take the regular weekly shopping list for a family of three, four or five people, go into a single supermarket and compare the prices of the various brands in the course of one day's shopping, let alone in the limited amount of time which most people have to carry out their weekly shopping these days. You can't do it, and I insist again this year—and I'm very disappointed that apparently no progress has been made—that the question is one of constitutional responsibility.

I wrote to the minister a little over a year ago on this matter and I stated to him:

> It is my understanding that the Consumer Packaging and Labelling Act passed in 1971 by the federal government authorized the Minister of Consumer and Corporate Affairs to carry out a continuing research on the subject of unit pricing in grocery stores. In 1972 this report was issued and I understand it made certain points:
>
> 1. That unit pricing is essentially a system by which retailers indicate not only the total price of an article but also its cost in some standard units such as ounces or pounds, enabling easier price comparison between brands and sizes;
>
> 2. That unit pricing is here to stay;
>
> 3. That there is a large body of opinion favouring unit pricing as an aid to shopping;
>
> 4. That it is an important part of convenient customer protection [and I em-

phasize not only the customer protection but the convenience customer protection];

5. That because of computerization it is easier for supermarkets to adopt unit pricing;

6. The reason for my letter—that the report apparently concludes that legislation for mandatory unit pricing is not appropriate at the federal level and in any case such legislation would be difficult to draft and administer, which of course I discard as an excuse which no government can accept.

I do not think that the difficulty of drafting and administering such legislation should deter the province from its constitutional authority to deal with this matter of mandatory unit pricing.

In any event, you responded to my letter. You said:

"I'm interested in your indication that the federal government does not have the constitutional authority to deal with this matter, and can assure you that we will look at it very closely to find out if, indeed, it has the impact which you have indicated. We will discuss the matter with both the Consumers' Association and the industry to find out if there is any reason why it could not be easily and economically implemented."

I have said what I wanted to say, as an addendum to what the leader of this party had to say in his remarks in opening these estimates, so that the record at least will clearly show that incontrovertedly you not only have the legislative authority, but you have in the situation as it exists today in the Province of Ontario the responsibility as a government to carry it out.

Some of us might on occasion be fooled by the rhetoric which even the minister uses when he speaks in public places. It's a little while ago, but I kept what the minister said—

Mr. Lewis: We keep all your speeches.

Mr. Renwick: —because he gave an address to the Peel South Progressive Conservative Association.

Hon. Mr. Clement: Which one?

Mr. Renwick: Peel South.

Mr. Stokes: That was speech 17 R.

Hon. Mr. Clement: Two years ago.

Mr. Renwick: Yes, and you made a couple of statements in it which—well, many of your statements, like Holy Writ, are worth preserving for even more than two years.

Mr. Lewis: I said we keep all your speeches.

Mr. Renwick: He said:

There will no doubt be people in the New Democratic Party who will be unable to understand how the "big blue machine" and its bias toward big business could possibly create the most progressive consumer legislation in Canada.

Mr. Lewis: Did you use "big blue machine" in a speech?

Hon. Mr. Clement: No, I don't think so.

Mr. Lewis: Do you think the "big blue machine" has become a steam roller?

Hon. Mr. Clement: I would be too frightened; that must be wrong.

Mr. Stokes: Your speech was misquoted.

Mr. Renwick: All I want to say to the minister is that yes, there are people in the New Democratic Party and, indeed, an increasing number of people throughout the Province of Ontario who are unable to understand how the "big blue machine" and its bias toward big business could possibly create the most progressive consumer legislation in Canada.

The minister went on to say: "The fact is we are the only party in this province that can work with business to achieve the common good." That's a relatively sophisticated version of the statement about General Motors.

You are the party that works with business, and you confuse the common good with the ends and the aims of the business community. As a matter of fact, the end is worth quoting.

Mr. Lewis: I would think so.

Mr. Renwick: He said:

There is no doubt in my mind that this kind of response to real situations is not built upon the endless verbal tirades of the opposition or the studies in statistics of our civil servants. It is fashioned by a man like Doug Kennedy, who really represents the people that elect him.

Mr. Lewis: That will be news to the member for Peel South (Mr. Kennedy), I'll tell you. He'll be surprised, if no one else is.

Mr. R. D. Kennedy (Peel South): I am going over to my seat.

Mr. Renwick: Again, when I looked at the estimates, as set out in volume 2 of the justice policy field for the year 1974-1975, at the heading "Ministry of Consumer and Commercial Relations" and read in detail throughout the estimate of the whole department, the word "consumer" is never again referred to in those estimates. There was a time when there used to be a sub-heading called "The Consumer Protection Branch" but even that's now disappeared. I know that the consumer protection branch exists somewhere in limbo over at 555 Yonge St. I know that. But it is so minuscule in its operations. it has such limited authority, and it has no capacity to provide the kind of protection that the consumer needs in the Province of Ontario, that I can well understand that the combination of the Tory government, the "big blue machine" and big business means that, in this day and age, in the estimates of a minister called the Minister of Consumer and Commercial Relations, the word "consumer" is not used, including in the descriptive note at the head of each vote which refers to the programme which the vote is designed to implement and provide for.

Now, Mr. Chairman, the other remarks I will deal with as we come to the points in the various stages of the estimates, but I want to clear up a few matters to set the kind of context in which we're going to continue this particular debate.

I would like the assurance from the minister that at the end of his estimates we will be dealing with the Liquor Licence Board of the Province of Ontario and the Liquor Control Board of Ontario which were transferred to the jurisdiction of this minister I think about two years ago now. I want to know whether or not we are going to deal with those two boards immediately following the minister's estimates.

Secondly, I want to say to the minister I do not intend, apart from perhaps one or two marginal matters, to touch upon matters relating to the Securities Commission in these estimates. It seems to me concerning the Securities Act, 1974, Bill 75, which stands in the minister's name on the order paper, that with the draft Act, the regulations and the numerous submissions that have been made to the government, there is no point in us duplicating in this minister's estimate matters that can be dealt with in depth and in committee about that Securities Act. I'm quite certain that that's the proper place, with perhaps one or two exceptions, to deal with that matter.

I want also to make the same comment with respect to the Unfair Sales Practices Act, Bill 55. I want to make the same comments as far as I'm concerned, not so far as my colleagues, of course, are concerned with respect to the Condominium Act. I intend to take the same attitude on the question of loan and trust corporations because my colleague from Lakeshore (Mr. Lawlor) and myself sit on the select committee which is dealing with the questions of loan and trust corporations.

It may well be that perhaps the minister could make a brief statement about what his intentions are about the warranty legislation and when it might be brought before the assembly, whether it will be introduced at this session or whether it will be introduced at the next session, because there is a crying need to get that legislation on the books of the province and enacted before this parliament is dissolved, sometime during the coming year.

I would like to know the minister's intention with respect to whether or not that study which he referred to in 1973 about the Franchising Act is going to be proceeded with, whether any legislation is going to be forthcoming about that. I heard the minister refer to the Credit Union Act. We still have not got it on the order paper, that I know of, and I don't think it has ever seen the light of day, and the select committee report was made a number of years ago.

What we are really saying to the minister is that within certain limits, to the extent that matters can more eloquently and effectively be dealt with in the debates on second reading and in committees outside this House concerning legislation of signficance to him, we will do our best to curtail our remarks at this time and deal only with those matters in his estimates which are of a more general nature. Any further remarks of mine, Mr. Chairman, can await the specific items to be dealt with.

Mr. P. D. Lawlor (Lakeshore): Mr. Chairman, on a point of clarification, if I may? At J25 of these estimates what specific activities have been transferred to the Ministry of the Attorney General that you previously had?

Hon. Mr. Clement: Pardon me, Mr. Chairman, are we into these estimates now starting with the first vote?

Mr. Chairman: I understand we are in opening statements. Now we have the minister's reply.

Hon. Mr. Clement: Yes, I would like to deal with certain things that I think we could clear out of the way that have been raised by some of your colleagues and by the hon. member for Perth (Mr. Edighoffer) if I may. Perhaps we can get into these various items.

The comments of the various speakers this afternoon have been rather interesting in some degree. I've been the victim of certain remarks which have been touched on rather lightly by some of the members in the House here today and I was really getting to believe it. But, however, in hearing some of the remarks that have come across the floor and the criticism of some of the policies or lack of same, I am back down to size and I think things are pretty well back to normal.

Mr. Lewis: You feel better. Maybe even the member for York-Forest Hill (Mr. Givens) would feel reassured.

Hon. Mr. Clement: That's right. The hon. member for Perth directed some of his remarks toward a price review commission, committee or board, and we've heard further discussion from the member of the New Democratic Party in this connection. I'll deal with this a little later on in my remarks, if I may.

There was concern expressed by the hon. member for Perth for small business people and I share that concern. I made it my business this summer to spend several days, perhaps eight or 10 days, in Perth conferring with small businessmen and women across, mainly, the Niagara area—it wasn't necessarily in my riding – just to find out where they were and what they felt about all levels of government and in particular their feelings toward their own particular business.

There was a message that came through very loud and clear, and it's not unique and I'm sure it's been shared by each member of this House. There's the feeling on the one hand that there's too much government intervention in the business world, and there's the feeling that that government intervention is being promoted or encouraged or enlarged as a result of certain requirements for statistical data that's required by various levels of government.

In attempting to get them to zap in on really what their concerns were and which forms gave them the worst difficulty, it was very hard for them to identify it. In the main, the involvement with those forms was being completed by someone on their staff and they really didn't know what forms gave them the most difficulty. But it seemed the common thread of complaint was "Leave us alone to run our own show."

You can't do this all the time, nor do we intend to. You have to regulate in the case of failure of businesses to operate properly. You have to intervene—pass legislation—and that's the purpose of it.

I was really concerned about this and I've talked to people who run small law practices and complain very loudly. This is particularly so where you have a small staff – where the bookkeeper, for example, fills a multitude of functions within the office. She not only keeps the books, but perhaps she's your receptionist and telephone answerer and so on.

This whole process is interrupted as the government inspectors from one level of government or another—municipal, provincial or federal—come in to do their inspections. They come in to look at the unemployment insurance records, because it might be a small staff of two or three girls working there and they want to look at these records. This girl is then taken out of commission. She can't answer the phone or greet the clients or whoever is coming through the door because she is involved with the production of these documents to whoever the inspector happens to be. Or she is taking the assessor through the office if he happens to be doing an inspection under that particular—

Mr. Singer: Much worse than all that is all the forms that you fellows require us to have. How many forms do you need on deeds?—

Mr. Chairman: Order, please! Continue.

Mr. Singer: I will allow him, but he is overemphasizing the wrong thing.

Hon. Mr. Clement: I use this as one example. I don't practise law any more—

Mr. Singer: The minister hasn't seen a deed?

Hon. Mr. Clement: I haven't seen one. I signed all mine away some time ago in cleansing myself to assume the role which I now hold in this government. I sold my cemetery plot at that time because I knew I would live forever.

I am trying to be sympathetic with the member for Perth who did demonstrate some concern and I just want him to know that I am concerned about the role of government and this government too. I am not going to point the finger at the federal government or the municipal government—I am concerned

about the role of all levels of governments in our very lives.

He then touched on the Consumers' Association of Canada, and yes we did get approval of a $25,000 grant to the Consumers' Association of Ontario—I should say, not of Canada. This was the amount requested and the purpose for that grant was to establish a full-time office to carry on certain of its intended projects. I did get approval of that from Management Board conditional on those moneys being taken out from something else within our ministerial budget. We intend to advance that money to that association over a two-year period in sums of $12,500 each six months.

We had some very interesting meetings with that particular association. It certainly doesn't speak for every consumer in the province, but it speaks for a number of consumers in the province. For those present who have an interest in this type of thing, as I understand it from the Consumer Association of Ontario their budget is in excess of $25,000.00. It is not the sole support, but this was the deficit they required in order to establish this type of office here in Ontario.

With credit buying, I have made some speeches lately about credit buying and the concerns better expressed by the member for Perth have been certainly echoed by me or else he is echoing mine—in terms of credit buying, spending over the next three years what we want to take home with us today.

I noted with interest his comments dealing with the travel industry. The travel problems which have come to the surface, particularly in the last six months or a year, are perhaps in many instances indications of credit buying, I don't know. I have talked to a number of agents over the past few months who have caused me some concern in terms of people travelling today and paying later. I tell you it is an extensive business—it involves millions of dollars annually. We are concerned about charter operators and tour operators. We are in the process right now, and hope to introduce this session, legislation to regulate this industry.

Mr. Singer: Ah, the ministry can do it.

Hon. Mr. Clement: Oh, it is not very easily done.

Mr. Singer: The minister told us at the beginning he couldn't do it.

Hon. Mr. Clement: It is not very easily done. When we get into the discussions of that legislation, I think you will find it a rather interesting concept that we have devised. We hope to put it before the House this session so that we can maybe close the doors.

I noted with interest the remarks of the member for Perth. I think he was quoting from an editorial, or was reading an article dealing with trust money—that not enough moneys are held in trust. I share that concern because our concern is that in very few instances are any of these moneys held in trust. This is causing us some difficulty in just how you regulate an industry which has developed patterns apparently over a number of years in the handling of its funds.

I recognize that there is a need; I recognize that it just has to be corrected. It is a very complex thing and you just can't go and get a bond and that's the end of it. We will get into that in the discussions when we introduce the legislation.

Now on your remarks dealing with the Ontario Petroleum Association and ORGA—the Ontario Retail Gasoline Association. My ministry became involved in discussions with those two bodies in an effort to assist them to develop guidelines that were mutually acceptable to ORGA, representing some dealers, and the petroleum association. It was our advice that initially the Ontario Retail Gasoline Association did, in fact, approve those guidelines, but they did communicate with us some time later that they were withdrawing that approval.

Several other organizations claiming to represent a certain segment of gasoline and petroleum dealers in this province have come forward. They won't accept those items which are acceptable to ORGA or its members and there just seems to be a complete lack of consensus between these various associations as to really what their priorities are. My staff will be trying again very shortly to co-ordinate and carry out a liaison with these people and see if we can develop a consensus that is not only acceptable but practical to all concerned.

Self-service gas bars we certainly don't regard very lightly. The advice which I have received from my technical standards people is that the possibility of every foreseeable hazard has, in the opinion of my officials, been protected against; that is, the required devices and so on are there, the procedures are there. I have read with interest an article—I think within the last 24 hours or perhaps the day before that—which would lead me, as a reader, to believe that perhaps all is not well in that particular area. But I have directed my people to look into that and I believe it was an article referring to

the fact that an operator at one of these self-service outlets didn't know how to shut off a valve or a key. So I am looking into that.

I can't guarantee that there will never be an accident in any self-service outlet; I can't guarantee that in any standard outlet as we know them. But we do have standards.

I can't write off the fact that savings are minimal. I don't wish to get into that right now, but obviously it has an appeal to a large number of the motoring public. I think that the motoring public would be pretty careful in putting gas in their own cars—traditionally, when we are discussing matters like this there is always the picture painted of a person putting the gas in with a cigarette hanging out of his mouth. He has a vested interest in making sure that there is no accident.

Perhaps there is room for improvement in this area. I don't deny that; I don't know. I am not admitting it or denying it, I just don't know. But if there is room for improvement we will certainly move in that direction.

I then was the recipient of some very, very, very charitable comments from the leader of the New Democratic Party. I wish that you had a pin, sir, that I could wear today because I would wear it out of deference to you.

Mr. Lewis: My party wouldn't think of making such pins for me.

Hon. Mr. Clement: They wouldn't make pins for you, is that right?

Mr. Lewis: No, they wouldn't, but if they did they would make another category.

Hon. Mr. Clement: Great. Well, I wish I could wear that pin but we will defer that till later on.

The thrust of the remarks of the member for Scarborough West, the initial comments as I recollect them from my very brief notes, is really a philosophical difference in what he views the role of my ministry and what, in fact, has been described in existing legislation for the role of the ministry. He stressed the ombudsman approach in the interests of the consumer and dealt with certain price problems.

He suggested, and I'm just paraphrasing from my recollection of his comments, that really, I should be vested, or my ministry should be vested, with the economic management, from the consumer's point of view, of this province. Now, I don't have that legislative authority now. I can't deal with many economic things in the province, as he well knows, in terms of economic management, because I don't have the legislation.

He's not suggesting I do, as I understand his comments. He is suggesting, very positively, that if we don't have it, we should go ahead and develop it and his colleague for Riverdale takes the position that, constitutionally, we have that right to develop that type of legislation. I'm not prepared to argue it on the basis of constitutional items, I'm just not that knowledgeable and I defer to the interesting remarks offered by the member for Riverdale as to his studies on the constitutionality of whether we do have the right to move in or out of economic management provincially.

The part that really concerns me, and I must take umbrage with the leader of the New Democratic Party who says, and said very, very carefully and many times, that the consumer has no protection, and he was talking in terms of economic things. It's trite to recognize he has protection under certain legislation in the Consumer Protection Act but we're not talking about that. We're talking about economic protection in the broad sense. I think that the consumer does have some economic protection—not all; perhaps there isn't enough, perhaps there's too much, I don't know—but I say that he has economic protection on the basis of the competition of the marketplace and that he must exercise some degree of control. He may take the view that his purchase or lack of same isn't going to make a difference. On the other hand, it may make a difference.

Mr. Stokes: You've got to be kidding.

Hon. Mr. Clement: No, I'm not kidding. I'm not. Listen, you've got to have people—are they going to go forward today and say there's something wrong with the world? The beef prices in this province, as I understand it, hit an all-time high a year ago August and the volume of beef sales was never higher. Now, this doesn't indicate to me a general concern, and I'm talking in generalities because there are many people in different spectrums of the economic scale who can't afford beef and others who buy it all the time, but people went out and bought more of it. By the way, freezer sales were never greater than at that particular period of time.

Mr. Renwick: Of course, because they were frightened about scarcity.

Hon. Mr. Clement: But it didn't become scarce, did it?

Mr. Renwick: No, it didn't.

Hon. Mr. Clement: No, it didn't become scarce, but you see the emotionalism that becomes created in the minds of many consumers, certainly not all. There's no restraint practised by a number of consumers in this province.

Mr. Renwick: But in a world where food is scarce there is a concern.

Hon. Mr. Clement: I would be inclined to believe that this province, from some of the remarks which were made, is the only province that has any economic difficulties in terms of inflationary problems, certainly in this country at this time, and that simply isn't correct. We're dealing here, and I'm not minimizing it or ridiculing it because I agree with many things that the leader of the NDP said and, particularly, that this is probably the most pressing social problem in this country today and in this province is inflation. I agree with that. It's a horrendous situation and, unfortunately, it spreads across most of the free world.

I am not taking the view that it's worse in western Europe than it is here, so therefore we're okay. I don't take that view at all because I don't believe that, but I think that we must look at the situation in terms of economics across the entire country and even beyond its borders. We've all read articles dealing with international marketplaces and international and world prices. Many of these are very, very valid and, in fact, are part of the problem itself.

I must take umbrage with the leader of the New Democratic Party's remarks saying that part 2 of the food study was a bogus study. He disagrees with some of the conclusions that are derived or projected from that study and that, of course, is his very right. I hope when he says bogus, he is not suggesting that there was in any way any conspiracy between my staff or myself and any of the food people.

Mr. Lewis: No, not at all, not for a moment. It was the conclusions I don't agree with.

Hon. Mr. Clement: No, that is a fair enough proposition isn't it?

Mr. Lewis: I think that is really the way I want it.

Hon. Mr. Clement: Okay, well fine, I just wanted to make that clear.

Mr. Singer: You'll have to destroy two pages of your notes.

Hon. Mr. Clement: No. I really wonder if somewhere my friend from Scarborough West and I may have a basic disagreement. I don't know that it's a sin or a crime to make a profit if you're in business today. Many people are suggesting that perhaps it is.

Mr. Stokes: He was quoting you in that regard.

Hon. Mr. Clement: Yes. Then we get into the next step. If it's consistent with social order and social responsibility, how much profit can an industry reasonably earn in social conscience? And, of course, you're going to get as many varieties and opinions as you have members of this House. You're going to get it from the one end of this axis or scale to the other.

I think this is where the competitiveness of the marketplace comes into play. I think that it is incumbent upon some agency, be it provincial, federal or otherwise, to make available to the public certain facts that are available so that the public can make some kind of a value judgement.

The problem, as I understand it,—and he referred to this—with the 4.4 per cent reduction in prices in the Ottawa area as a result of the federal review study there was that they published the items which were priced. I cannot help but think that the sellers of those items would react very quickly to reduce those prices and perhaps recover that loss, if I can use that phrase, or lower profit on other items. I really question whether the overall costs did drop on all items offered by supermarkets, which I usually number between 6,000 and 7,000. Those 30 or 50 items dropped 4.4 per cent.

Mr. Lewis: What you are saying is that supermarkets are basically dishonest.

Hon. Mr. Clement: That is not what I am saying.

Mr. Renwick: They are dishonest and manipulative.

Hon. Mr. Clement: I am not saying that they are basically dishonest at all. There may be some that are. I don't know them.

Mr. Renwick: They respond to that information just the way they respond to increases, if they can get away with it.

Hon. Mr. Clement: I say this, that if I am a businessman and you're across the street and you're selling widgets for 89 cents and I want somebody to buy my widgets, I'll offer them for 88 cents. What I lose on

the bananas, I'll make up on the coconuts. That isn't dishonest. That's called being in the marketplace and being competitive.

Mr. Renwick: That is not being in the marketplace because that marketplace only exists in the Province of Ontario, and you know it.

Hon. Mr. Clement: That's called being in business.

Mr. Chairman: Order, please.

Hon. Mr. Clement: My God, people have been running sales and everything for years. There is nothing unusual about that. This is part of the concept of selling. Public relations and advertising, for heaven's sake, are an effort on behalf of an agency to encourage people to buy for some particular reason.

Mr. Renwick: The competition is only in the advertising and the services and not in the prices. You know as well as I do it is not, in the prices that competition takes place.

Hon. Mr. Clement: Where does it take place? That's one item—

Mr. Renwick: It takes place in the advertising and all of the gimmicks that are used to persuade people to go into their stores.

Mr. Deans: By golly, the price is right for them.

Hon. Mr. Clement: Does the member for Riverdale advertise in any legal journals?

Mr. Renwick: We are not permitted to.

Hon. Mr. Clement: The Canadian Bar Review?

Mr. Renwick: As a matter of fact, my registration as a lawyer is about to expire.

Hon. Mr. Clement: The member for Riverdale made some mention about unit pricing, and I am grateful to him for reading that letter in the House to bring it back to my mind, because—

Mr. Renwick: It's the second time I have read it in the House.

Hon. Mr. Clement: Well, the first time I wasn't listening, you see; today I was. We like to have our memories refreshed; that was very helpful.

Mr. Renwick: Perhaps I can read it again next year.

Hon. Mr. Clement: The business practices division of my ministry has had some interest in this, as I have indicated. I understand one supermarket chain does have unit pricing, and the information available from that source has indicated that the consumers are not really that interested in it at this particular time. Perhaps that is because of the inability of the consumer to understand it, or perhaps there is an onus on somebody to educate the consumer about it—

Mr. Renwick: Perhaps there is an onus on the government to introduce legislation to provide unit pricing.

Hon. Mr. Clement: Well, we have another complication in connection with unit pricing —and I'm not against it; I think it is all right —and that is that when we get into the metric system, it is going to complicate it somewhat further. I think that eventually we are going to end up in it—

Mr. Renwick: It will be another 1,000 years, will it?

Hon. Mr. Clement: Well, I am encouraged by the change from the English system to the decimal system in Britain about three or four years ago. There were all kinds of articles about how people wouldn't understand it. Even I didn't understand it. I had to go over there and look at it, and convert it back to the old system, so I could understand it. They had menus with the prices in shillings, pence, halfpennies and so on on one side, and the decimal equivalents on the other. But now there is no problem; everybody accepts it.

Mr. Renwick: I always liked the length of the Lord Chancellor's foot.

Hon. Mr. Clement: The member for Riverdale asked for certain information, I believe, so he could get his own legislative programme ready for this year.

Mr. Renwick: Next year we will do better.

Hon. Mr. Clement: I would like to point out to him, though, that the autumn and winter months are an excellent time to travel. And I would encourage him, if he wants to go away, by saying that we would look forward to his return perhaps in the warmer months.

I am going to introduce the new Credit Unions Act this session, and the Consumer Product Warranties Act. I hope to go with

the Securities Act, about which I had some discussions with the member for Riverdale in a telephone conversation the other day; I would like to go ahead with that legislation in this session.

Mr. Renwick: Did the minister say he is going to introduce the Consumer Product Warnings Act this session?

Hon. Mr. Clement: Yes, I hope to introduce it this session. But if we don't get it on—and we are in the process of drafting it now—it will go on after the New Year. I also want to go ahead with the Fair Business Practices Act this session, as well as with the Ontario Building Code.

I do want to make this clear so that there is no misunderstanding: I can appreciate the workload and research that the member has to do in connection with this, but I am telling him what I would like to go ahead with and what has been cleared by my government and by my colleagues. There is also the matter of priorities, I presume, because I have colleagues who have other equally pressing matters that they would like to proceed with. But these are the things I would like to go ahead with.

Mr. Renwick: I understand.

Hon. Mr. Clement: I think those are the only remarks I have to make at this time, Mr. Chairman. I look forward to engaging with the members of both parties in our estimates—unless, of course, in the light of my remarks, they find them perfectly in order.

On vote 1301:

Mr. Lewis: Mr. Chairman, on the first administration vote with which we are dealing, I would like to take five or six minutes to respond very briefly to the minister.

John Clement, you are an old fashioned free enterprise man from away back. Perhaps I am not allowed to personalize you in the House—the member from Niagara Falls, the minister. You are one of those sublime tinkerers. You like to tinker at the edges of the social and economic system. It does your heart good to introduce some changes in warranty legislation. It does your heart good to deal with a Fair Business Practices Act. It does your heart good to alter the securities legislation now and again. You play at the edges. You are a tinkerer. I am surprised you don't have little steel balls that you hold in your hand like Queeg and run them through from time to time, not so much because you are nervous, not so much because you are tapped off, but because you tinker.

Mr. Stokes: He carries a worrystone in his hand.

Mr. Lewis: Right, right. But what we are talking about is something fundamental. We are not talking about tinkering. We are talking about the need to intervene in the marketplace to protect people who are largely defenceless against the behaviour and activities of the corporations.

You say in one of the most charming but reckless old fashioned statements that the marketplace should govern itself. Even Tories have abandoned that by and large. You have taken over the marketplace in the generation of electric power because you don't believe that that should be available for private enterprise. You are buying land all over Ontario to provide houses or to protect agricultural production because you don't believe that that should be left to the private sector any more. There are lots of places where you bring yourself to intervene in the economy.

It's always a matter with you of crisis intervention, but we are suggesting that there are moments when you intervene in advance before things get completely out of hand. My colleague from Thunder Bay said you have to be kidding because it's a bit much in the fall of 1974 to be saying to the consumers of Ontario "You decide how to shop. You know it is your responsibility when you are buying a car to take on Ford, GM and Chrysler. It's your responsibility when you are buying gas to take on Esso, Shell and Gulf. It's your responsibility to take on Dominion, Loblaws and Steinberg's."

It's not. It's the minister's responsibility. It's your responsibility if they are untoward or out of whack with prices or profit policies that are reasonable. It's your responsibility to intervene to defend the consumer. God knows the consumer has enough to do now and that is where it is illegitimate, then you should intervene. In that there's no difference between us.

Socialists the world over understand that we live in a mixed economy in the Free World—capital "F", capital "W"—that all you Tories conjure up for the rest of the world. In the Free World it's all a mixed economy. Even in Sweden, only 10 per cent of the economy is publicly or cooperatively owned. The other 90 per cent of the economy is in private hands. We understand the North American economy will always be dominated in business terms by the private sector.

Therefore, we understand and concede that the private sector has a right to make a profit and has a right to a reasonable return on investment. What we won't concede and what you concede to is that they don't deserve an excess profit or an unreasonable return on investment.

Then you smile benignly and say to me "How do you establish a reasonable profit and a fair return on investment?" I think it's probably possible to establish a rate of return which most would agree on, in various sectors of the economy. In terms of a reasonable profit, I can do no better than to quote the words of the oracle, of the legislative guru, John Clement, who said that further profits on the scale of 1973 don't appear to be necessary.

What better voice than John Clement? Who else would I quote, Jim Renwick? You're the minister with the power. I know what Jim Renwick thinks—but you are saying further profit increases on the scale of 1973 don't appear to be necessary. Don't tell us that we don't accept a profit. You have to understand what extravagant, unsuportable profits — insupportable profits—mean. Illegitimate, unreasonable — I don't know whether it's "un" or "in" as a prefix. I shall ask my wife, she will know.

I want to tell you that it's time that you acted on the words which you yourself spoke and that's what the New Democratic caucus is saying to you. My colleague from Riverdale demonstrates that it is obviously constitutional and within your prerogative.

You have said the profits are too high. We are saying act on it. Don't be such a free enterpriser; don't be such a fundamentalist.

The incredible business about this House is that all the fanacticism is over there, not over here. Over here there is flexibility and conciliation. Over there there is fanaticism and compensation. You have to divest yourself of these fundamentalist views. You have very doctrinaire views. And even though your own studies show that the profits are too great, the rates of return are too high, you still haven't got the flexibility to act on that.

In the name of the Ontario consumers we are asking you for some flexibility. You don't have to nationalize Loblaws in order to do it. You just have to selectively roll back prices that are out of whack. You don't have to take over Esso's refineries. You just have to protect citizens here the way they are doing in Nova Scotia.

Nobody's asking you to dismantle capitalism. We are just asking you to civilize it. There is nothing wrong with that.

That's where we differ; because in a funny way you are even a greater fundamentalist than so-called people of the left. That is a philosophic difference. It is a rather interesting difference and I must say that it is not out of character; but I'm surprised, and I urge you to leave the tinkering behind and enter the fray, socially useful.

Mr. Singer: Mr. Chairman.

Mr. Chairman: The member for Downsview.

Mr. Singer: Mr. Chairman, I have sat and listened to most of this discussion this afternoon and I've rather enjoyed the remarks of the leader of the NDP. But I think he has missed the boat. What the minister has been trying to tell us is that he has no power.

Mr. Lewis: No, he says he does not want the power.

Mr. Singer: No, he has no power except to nibble at the edges; no, he hasn't got power.

Mr. Stokes: It is a philosophical difference, he says.

Mr. Singer: He made one statement that struck home with me, and that was when we come to talk about economics the minister really had very little to say or to do about it. The fellow we should have been after, the fellow we are going after Monday afternoon about economics is the leader of the government (Mr. Davis) and the Treasurer; (Mr. White) who has Treasury, Economics and Intergovernmental Affairs.

But I don't think we can expect this minister, nice fellow that he is, to start breaking brand new ground that is going to upset the economic world as determined by the Premier and the Treasurer. That's where the fault is.

A little later on I'm going to try to convince him to do, as I've tried with him and his predecessor over a number of years, to do something about insurance rates. Maybe that's within their concept. But both he and his predecessors have been able to successfully run around the problem.

Eventually we are going to get something that is going to say something about travel agents. It was difficult, we were told a few months ago. It was impossible. And I suspect, from all the advanced excuses that were

built into the unveiling of this new legislation, that it's not going to be very startling when it does come about.

So my small contribution to this debate and this point and this ministry, is that I'm afraid we are after the wrong minister. I don't think that they will let him do what maybe he should do.

Mr. Lewis: That's probably true.

Mr. Renwick: The Premier said he was responsible for the question of consumer prices.

Mr. Singer: Yes, except the Premier didn't really mean that. He's got a fellow as Treasurer who won't yell; and the Premier himself won't do it. I think it would be—

Hon. Mr. Clement: You guys have been picking on me all day.

Mr. Singer: —The minister got fairly close to confessing a little while ago when he said, "Leave me alone fellows. I haven't got the power because my leader and my Treasurer won't give it to me." I feel sorry for him.

Hon. Mr. Clement: I didn't say that.

Mr. Singer: But he shouldn't take so many titles unto himself and try to pretend he has such power.

Mr. Lewis: I didn't hear him say that.

Hon. Mr. Clement: I didn't say that.

Mr. Singer: That was my interpretation of what you did say.

Mr. Lewis: Wait until he is Treasurer.

Mr. Chairman: The member for Wentworth has the floor.

Mr. Deans: Mr. Chairman, I don't much care whether he has the power or not. The fact of the matter is he is not likely to do very much, if you are going to gauge what his future efforts are going to be by his past efforts.

But I do want to talk to him about another area, directly related to cost of living, that he might be able to do something about but that he really doesn't seem willing to do anything about, and I want to make a proposal to him that I hope he'll at least give some consideration to. I draw to the attention of the minister that one of the major contributing factors to the rising cost of living has been the component of housing or accommodation, and that the cost of living has risen by leaps and bounds, but the accommodation component of the cost of living index has risen, in general terms, in excess of the overall and in the Province of Ontario, in Metropolitan Toronto in particular, is galloping along well ahead of the average cost of living increase.

I want to say to the minister that as the Minister of Consumer and Commercial Relations he surely must have a responsibility to protect the consumer against the unwarranted price increases in the general housing field, and in particular, in rental accommodation. I've asked a number of times in this House, in fact going all the way back to 1967, that the government pay particular attention to rental accommodation and the problems that confront people who are forced to find a place to live and are very much at the mercy of someone else to provide the actual accommodation itself.

We've spoken, I would guess, 20 or 30 times over that period of time about the ever-increasing costs and the difficulties that people are having in meeting those costs, and the results that come about from the non-housing policies of the government of Ontario. In spite of the fact that minister after minister who has been charged with housing has failed to produce an adequate number of units, the government keeps pointing the finger at its housing minister and says, "Don't worry. In time we'll correct the imbalance." Just last Friday the new Minister of Housing (Mr. Irvine) issued his statement with regard to the numbers of houses that would be built in the Province of Ontario, pointing out that there were great new initiatives being undertaken, and that given a fair chance this could provide sufficient accommodation, that the pressure on rents would be automatically lessened, and that people wouldn't be faced with the exorbitant rents that they're currently paying.

Even if that were so, even if the statements of the minister were taken at face value, and even if what he said was correct, that within the next two years there would be a sufficient number of housing units built in the Province of Ontario in the major metropolitan areas to meet the tremendous pressure that's been placed on accommodation, there is something called an interim period between now and two years from now that has to be faced.

There are people who are currently living in rental accommodation in the Province of Ontario who are paying 50 per cent more than it's worth. There are people who are paying 60 and 70 per cent of their income just to provide themselves with accommoda-

tion, with shelter. This government has done virtually nothing to try to meet that problem. Now, it can't be met in the short run by developing more apartments, because that all takes time. There have been adequate warnings, as the chairman well knows, over five or six years that we were moving into a crisis situation with regard to the availability of rental accommodation, and the government, even in spite of those warnings, failed to heed them and failed to take the necessary steps some years ago which might well have eased the pressure today.

A little publication that comes to everyone suggests that rent boosts of up to $60 a month are forecast for Metro. I want to tell the minister that that rent boost of up to $60 a month is not even uncommon over the course of the last year, if you look at Hamilton or Metropolitan Toronto or almost any metropolitan area, and I'm sure my colleague from Ottawa could cite you chapter and verse of the exorbitant rent increases that have taken place in the Ottawa area.

I can assure you that never a day goes by but I receive a communication or a telephone call from someone in my constituency, or from the general Hamilton area, bringing to my attention that yet another rent increase has taken place in yet another apartment. building. It's no longer uncommon to find that there are no leases being signed; that in fact rents are being increased one, two and perhaps even three times in one 12-month period, without any requirement for justification whatsoever; that there is no requirement on the owner or the landlord to justify what the rent increase is going to be or, for that matter, even to discuss what the rent increase is going to be; that there is no requirement on the part of the owner even to tell the tenant why rents are being increased at the rate they are being increased.

All we ever hear or all we ever read is the landlord association saying that costs are rising, that the cost of heating is going up or the cost of maintenance is going up, and that taxes are rising. But never is there any honest-to-God justification required. Never is there an attempt made to sit the landlord down and say: "Show me where it is that your costs have gone up to justify this kind of an increase in the accommodation that you are providing to these people."

I want to tell you that in answer to my question the other day to the Premier, the Premier said that he didn't want to get into the whole area of rent controls and that he saw a distinction between rent review and rent control. I concede to him that there is a distinction between rent review and rent control, but I think that it is about time that we recognized that if it is going to be left up to the private entrepreneur to provide accommodation, and if he is going to be left with all the tools at his disposal to charge whatever the traffic will bear and more, and if he is always going to have available the opportunity to evict the tenant simply because that tenant doesn't have the necessary financial backing to meet the exorbitant demands, then we are always going to be faced with people who will be paying considerably more for this essential part of life than they can afford.

Now, let me try something on with you for a moment, because I happen to think that there is a way to review rents without getting into overall control, without getting involved in a blanket control in the Province of Ontario or, for that matter, even a blanket control in Metropolitan Toronto. I do think that this ministry, if it were interested in protecting the consumer in the area of rentals. could set up the mechanisms required to do what I think might well work.

To begin with, I think it is time that we did say that it is necessary for persons in the field of providing rental accommodation to justify changes in the rent just as they justify changes in price, in oil, in natural gas, in hydro—things that are recognized as being necessities of life—just as we are asking that the same kind of justification be provided in the area of foodstuffs. In the area of rental accommodation, initially, we are going to have to require justification.

I want to suggest that if we were to use as the basis the existing mechanism of the landlord-tenant review procedure, which hasn't worked very well because it hasn't had any real power, and if we were to empower them to require that there be a justification for any rent increase, then we could do this: we could set it up so that the tribunal could, upon an application from a tenant, require that justification be made for a rental increase. But it is important that we don't give the tribunal the power to vary it, that the application for the rent increase be for whatever that rent increase is and that the tribunal not be permitted, for example, to say that rather than give permission for a $25 increase it would be prepared to give permission for a $15 increase. The reason that I say this is because that would simply mean that when the justification was being made, there would be a padding operation that takes place, not unlike that which happens in many other sectors, in order to try

to reach a saw-off, something that would be satisfactory.

I suggest to you that if a tenant were to appear before the bureau and to ask that justification be given for the rent increase which is being asked, and then if the landlord were required to provide that justification and the justification did, in fact, show that the rental increase requested was justified on the basis of additional costs, the power would be there to grant it. If it showed that it was not justified on the basis of actual additional costs, then the power would be there not to grant it. Opportunity would then be available for the landlord to reapply with notification going to the original applicant, for something other than what was asked for in the first place.

It is 6 o'clock and I will carry on after 8.

It being 6 o'clock, p.m., the House took recess.

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No. 101

Ontario

Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Ninth Legislature

Thursday, October 24, 1974

Evening Session

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

THE QUEEN'S PRINTER
PARLIAMENT BUILDINGS, TORONTO
1974

10

Price per session, $10.00. Address, Clerk of the House, Parliament Bldgs., Toronto

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LEGISLATIVE ASSEMBLY OF ONTARIO

The House resumed at 8 o'clock, p.m.

ESTIMATES, MINISTRY OF CONSUMER AND COMMERCIAL RELATIONS

On vote 1301:

Mr. Chairman: The hon. member for Wentworth.

Mr. I. Deans (Wentworth): First of all, I'd just like to give a little advice to the minister. When I said, "Oh, of course," to his comment, I didn't necessarily agree it shouldn't be; I just recognized that at this particular point in time it might not be anything to do with the minister.

The whole matter of consumer protection is, of course, something that should fall within the ambit of this ministry. I think the fact that the Attorney General (Mr. Welch) administers the Landlord and Tenant Act and other matters related to landlord and tenant, doesn't necessarily mean that it should not have come within the umbrella of consumer protection. I think it should come within the umbrella of consumer protection.

I do not intend to go on at any great length about it, except to say that I think that the government is going to have to do something in terms of protecting the consumer in the area of rentals during this period that will undoubtedly stretch for at least two years, until such time as the housing is built that the Minister of Housing (Mr. Irvine) tells us is going to be built.

I can imagine there are going to be a lot of arguments. The proposal that I put forward, as you may recall, was that if there were a rental review tribunal established, and that rental review tribunal were empowered to hear complaints of tenants against what they consider to be unwarranted rent increases, and if the onus then were on the landlord to provide the justification, and if the tribunal were empowered to do one of only two things—either to approve on the basis of the justification being ruled or to disapprove on the basis of the justification not being there—then we would not be in a position of having to make a judgement as to how much might be given rather than the amount that was applied for. What I can imagine happening would be that the landlord would come before the tribunal, if it were the tribunal's right to determine what the amount should be, asking for considerably more than he felt he could justify in the hope that maybe he would get a saw-off somewhere along the way—maybe a little more, even, than he was able to justify from the tribunal.

I'm quite interested and quite concerned about the plight of the tenant in the Province of Ontario. I think there are so many different areas in landlord-tenant relations that are desperately needing change. I don't for a moment suggest that every tenant is lily-white and every landlord is somehow black, but there is no question that in terms of real power the landlord has all of the power on his side, that the landlord can easily deprive a person who has paid his rent and who has lived up to all his obligations of a living accommodation by simply handing him notice, and that the whole process of having to go to court and get an eviction order is one which firstly is rarely used and secondly is so easy to come by that it simply delays rather than adds any substantive review to the whole process of eviction.

I have found tenants, and I'm sure the chairman has found tenants in his constituency, who have complained bitterly about exorbitant rent increases and have said: "Surely I am entitled to know why my rent is going up. Surely it's not too much for the landlord to be asked to explain to me why the rent is being raised by this particular amount at this time, given that I've been a good tenant, lived in the building for a number of years and have always paid what was asked of me?"

Of course, there's no requirement; there's no requirement. It's for that reason that I raise this with the minister, and it's for that reason that I think he should approach his own cabinet and ask to be given the power to establish just such a tribunal, to ensure that, in keeping with all other areas of necessity, justification be a requirement in the Province of Ontario for any increased cost.

I don't suggest that the colour TV manufacturer needs to come forward and apply

for permision to change the price of his colour television. I don't think that's a necessity. There are all kinds of other things where there need not be any intervention of any kind, other than in the areas of warranties, and that we'll get into a little later.

But I do think that in the essential things, in the food industry and in the provision of accommodation, there simply has to be a way to ensure that there will not be any gouging, that there will not be any unfair practices and that there will not be any levying of rents which are exorbitant, to ensure that tenants will be able to live in peace and will be able, in fact, to pay whatever is required in order to reasonably maintain the building and to return a profit.

It does occur in one area, and I want to make this point. There are some restrictions in some apartment buildings that are sponsored to some extent by the federal government, where application has to go to them for rental changes, and where certain income groups were permitted in and other income groups were not. I think that that might be viewed to determine how it worked. I don't know that it's working very well but I don't have many complaints about it.

I do know at this stage that there are far two many elderly in the Province of Ontario who are not able to get into senior citizen accommodation because there isn't nearly enough of it, who are being forced to pay far more of their income than they can reasonably be expected to pay, among which group it isn't uncommon to see them paying 60 per cent of their actual income, monthly pension, just to get place to live. I think those people deserve some protection.

There are a great many people in the Province of Ontario who fall into the low and low middle income group who will undoubtedly be helped by the housing action programme if it ever gets off the ground. Those people require and deserve some protection during that interim period. That protection is not too much to ask. It's not sort of sitting down and playing God and establishing what the fair rental should be, but rather saying—given that the landlord's rate of return was reasonable previously—on the basis of his actual expenditures and increases in those expenditures, whether or not any increased rent that he would want to charge would be deemed to have been justified before the board, and thereby permission given for that to be charged.

I really do urge you to give that serious consideration, because I think that in most major municipalities across the province it would act as a deterrent, on the one hand, to landlords attempting to charge too much, and it would avoid, on the other hand, the problem of a blanket rent control, which probably would not work effectively or efficiently, or for that matter work fairly, because the circumstances differ from building to building, let alone from community to community. I really do urge you to give that consideration, to make representation to your own colleagues, to ask for that kind of power if you don't already have it.

Mr. Chairman: The hon. member for Lakeshore.

Mr. P. D. Lawlor (Lakeshore): I did ask a question before, and just to keep the record straight as between the departments, what was the transfer of $500,000 to the Ministry of the Attorney General?

Hon. J. T. Clement (Minister of Consumer and Commercial Relations): That, Mr. Chairman, refers to salaries for land compensation people, their board.

Mr. Lawlor: You mean the board now comes under their jurisdiction? Okay.

Just one other question on the figures themselves. Your estimate for this year for main office only is $617,800. In 1972-1973, just two years ago, it was $251,000. What is crepusculating inside your domain over there? Are you burbling?

Interjection by an hon. member.

Mr. Lawlor: Well, look at that; the thing's gone through the roof. Do you have Aubusson rugs over there and various types of oriental tapestries?

Mr. J. A. Renwick (Riverdale): His answer is yes; he nodded his head.

Mr. Lawlor: His answer is yes. That's what we thought.

Hon. Mr. Clement: I'm advised, Mr. Chairman, that most of this relates to the information services, which accounts for the difference between the years 1972-1973 referred to by the member for Lakeshore, and the estimate for 1974-1975.

Mr. Lawlor: That is not an adequate explanation by any stretch. We don't want to prolong these estimates unduly, because there are other people coming up after us, but to tell me it's for information services is no information to me at all.

Hon. Mr. Clement: You must recall, and I'm sure you do with great clarity, that last year there was roughly a $500,000 expenditure allowed for information services which were provided by the minister. They comprised some storefront groups. We had a number of brochures or pamphlets printed; 15 different pamphlets dealing with things like buying a used car, second mortgages, and this sort of thing. I'm sure the hon. member has seen those pamphlets.

We had radio programmes, TV and radio spots dealing with consumer information.

I think I touched on it in my general remarks earlier today, but initial printings for each of the 15 pamphlets was $50,000; and some of them have been so popular that we're into second printing now. The breakdowns—if you're interested in having them—I do have them here. Perhaps you would like to peruse them rather.

Mr. Lawlor: I would just rather peruse them and not take up more time.

Hon. Mr. Clement: Well, I'd rather take up the time—but whatever you want to do.

Mr. Lawlor: I am sure you would.

Mr. Chairman: The hon. member for Thunder Bay.

Mr. J. E. Stokes (Thunder Bay): Thank you, Mr. Chairman. Will the minister answer the question posed to him earlier by my colleague, the member for Riverdale, about some kind of assurance that we will have an ample opportunity to discuss the Liquor Licence Board and the Liquor Control Board?

Hon. Mr. Clement: It's not my prerogative to make that decision or give that undertaking here, but I am introducing later on in this session new liquor legislation—not amendments to the existing legislation, but a new Act. May I suggest that might well be the time where the questions could be answered dealing with the budgetary items in which you have certain interest.

Mr. Stokes: That presumes that we will have the indulgence of either the Speaker or the chairman that they will give an opportunity for a wide-ranging discussion on liquor control and liquor licensing legislation; because if it's not contained in that particular legislation it won't be germane to the debate and will be called out of order. This is something we're going to have to deal with, through either the Speaker or the House leader (Mr. Winkler) for that commitment.

I want to find out something under administration services or your managerial secretariat, or someplace within this first vote. I see there is no money down here for research. Are there any research funds made available anyplace in your ministry for certain reviews of social and economic problems that are a direct result of the excessive use or misuse of alcohol? We're not going to be given an opportunity in these estimates to discuss that.

You are the minister responsible for the administration of those two Acts. In the close to two years that you've had the responsibility for these estimates, have you found any need, or has anybody tried to impress upon you the need to set funds aside to come up with the various kinds of rehabilitative programmes that are going to be necessary to come to grips with the excessive use of alcohol and all of the social problems that result from the excessive use of alcohol? Are you contemplating making these kind of funds available?

It seems to me that since you are responsible to the people of the Province of Ontario for the administration of those two Acts, it's quite possible that your ministry should be the one that is doing the research—even though you don't collect the money directly. It seems much more appropriate that you people should be coming to grips with problems that are the direct result of the abuse of alcohol.

I am wondering, if you haven't had any discussions, will you take that under advisement, to see that funds are made available either through your ministry or through some other ministry, because it does very, very little good for us to be sitting here talking about — if given the opportunity — changes in the liquor licensing laws or the liquor control laws in the Province of Ontrio, if we aren't going to come to grips with that terrible social problem that is becoming almost unmanageable in certain segments of our population, particularly in certain areas of the province. The minister knows what I'm talking about. Will you impress upon your colleagues the need for those kinds of funds?

Mr. Renwick: Mr. Chairman, may I just comment about this question of where we are going to discuss the Liquor Control Board and the Liquor Licence Board. I have always assumed under our system of govern-

ment that when an announcement is made from the office of the Premier (Mr. Davis), that Ontario's Liquor Control and Liquor Licence Board will become the responsibility of the minister of Consumer and Commercial Relations, and then the minister writes to every member of the Legislature advising him about that, we should have a specific statement about when we are going to discuss the affairs of the two boards.

It simply is not adequate for us to be shuffled around, as we have been on the Workmen's Compensation Board in other years, and pawned off on a proposition that you are going to introduce some amendments to a bill that may or may not get to the floor of the assembly, and which will not necessarily deal with the kind of question that my collegue, the member for Thunder Bay, has raised. When you think that over $250 million comes to the government of the Province of Ontario through the operations of the Liquor Control Board of Ontario, when you think that in excess of 47 or 48 cents on the dollar comes to the government of the Province of Ontario for every dollar spent on the consumption of liquor, and when you think of the immensity of the problems caused by the consumption of methyl alcohol and the problems related to it, and if this minister is responsible, as the Premier of the province has said he is, we deserve and are entitled to a clear opportunity to discuss matters related to the policies and principles of the board and not to be told that when amendments come into the legislation we will then be given some opportunity by the grace of God and the minister, and the leader of the House, and the Chair, and everybody else.

Mr. J. R. Breithaupt (Kitchener): Mr. Chairman, perhaps I could make a suggestion that might be helpful in this line. After the debate finishes at 10:30 this evening there will be another four hours or so which have been suggested as being available for the estimates of this department. I would suggest that if a separate debate is not held, as it has been in the past for the Compensation Board and for the two liquor boards, on separate days, and a session set aside, then perhaps the House could consider using part of those remaining hours for a specific debate on the matters of alcohol within the operation of the province.

I would undertake to approach the government House leader to see if either a separate debate can be scheduled, or if time could be used out of those hours, or time added on to the estimates. I would think it might be useful for us to go on with the other areas of the ministry if there are other general comments, and if it is agreeable that that could stand aside I would be pleased to try to sort out a separate time if that could be useful.

Mr. Renwick: Anything would be helpful as long as it is definite and specific.

Mr. Chairman: The member for Windsor-Walkerville.

Mr. B. Newman (Windsor-Walkerville): Mr. Chairman, I would like to concur with the remarks of my House leader. Last Sunday I happened to attend the opening of Brentwood in the city of Windsor, a facility to treat alcoholics. Here we have the Ministry of Community and Social Services funding the institution to overcome a problem that is caused by the beverage industry. It seemed ironical to me that while here in my own community we happen to have one of the biggest of the alcoholic beverage industries in Canada, they, or even the whole industry wouldn't be involved in some fashion in funding an institution that is attempting to rehabilitate those who are unfortunate in not being able to control the consumption of the product of their manufacture.

Mr. Chairman: Mr. Minister, do you have any comments?

Hon. Mr. Clement: Firstly, I think the suggestions put forward as to examining the estimates or the budgets of the Liquor Control Board and Liquor Licence Board are perfectly proper and necessary; there is no question about that. As I understand the problem, the opposition members of both parties would like to know when. I can't give undertakings on behalf of the House leader this evening. He will have to give those or have those discussions himself.

But I do say this: that the legislation which I am introducing is a complete Act, it isn't an amendment to existing legislation. In it the financial ramifications and how the board shall be funded and operated and so on are all spelled out. While it is not a gratuitous opinion I am offering, it would seem to me perfectly proper at that time to enter into those discussions dealing with the financial—

Mr. Lawlor: Can you give us any indication when you are likely to introduce it?

Hon. Mr. Clement: I am just trying to think. Probably about three weeks from now.

Mr. Breithaupt: Mr. Chairman, perhaps the matter could be left until we see what the bill is going to be. The government House leader has advised me that he hoped to have a list of pending legislation sent to opposition House leaders, perhaps by tomorrow or the beginning of the week. If that bill is called we could proceed that way. Or we might have the opportunity of scheduling a separate debate if that were found necessary. I think that would work out.

Mr. Stokes: Here's the House leader.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Mr. Chairman, I have been informed of the discussion that has taken place while I was attending to other matters. Because of the agreement that exists and the consideration of estimates, I'll do my utmost to have agreement on some time for the debate that has been requested between now and some time early in December.

Hon. Mr. Clement: There are a couple of matters I haven't mentioned, Mr. Chairman, particularly dealing with the funding of research and moneys paid for looking into alcohol-related disorders which the member has touched upon.

As I understand it, the grants and funding that go to the Addiction Research Foundation come out of the general revenues. They certainly don't come out of my budget per se and they don't come directly from revenues generated by the Liquor Control Board. It is my understanding they come directly from the general or consolidated revenue fund.

Mr. B. Newman: The social services likewise fund the institution.

Hon. Mr. Clement: They may; the other ministry may well do it. The funding dealing with the institution you referred to, Brentwood in your Windsor-Walkerville area, I would think would be pretty well on the same basis. It definitely does not come out of my estimates before the members here this evening.

Mr. Chairman: The member for Windsor-Walkerville.

Mr. B. Newman: Mr. Chairman, would it be correct under this vote to discuss the Mortmain and Charitable Uses Act?

Hon. Mr. Clement: It should really come under the vote dealing with the companies branch.

Mr. B. Newman: Okay.

Vote 1301 agreed to.

On vote 1302:

Mr. Chairman: The hon. member for Windsor-Walkerville has the floor.

Mr. B. Newman: This pretty well indicates each item separately. I think we should start off with securities in item 1.

Mr. Chairman: Item 1, securities. The member for Riverdale.

Mr. Renwick: Mr. Chairman, as I said, most of the matters that relate to the securities industry in the Province of Ontario are more properly and efficiently dealt with when Bill 75 is before the assembly. I assume it will be sent out to committee and we will have an opportunity for a proper debate on it.

However, I did raise earlier this year a matter which certainly is not covered in the draft bill and is a matter of some concern to me, both in the particular situation in which it occurred, and also as a matter which I think is fundamentally and basically wrong. It relates to a letter—again, my comments are not directed toward the particular companies engaged in this transaction, which I'm sure was quite properly done, strictly in accordance with the necessary company formalities and the necessary formalities and registration requirements and so on of the stock exchange and of the Securities Commission.

But the principle, it seemed to me, was quite wrong. I'm talking about what was evident from the prospectus which came out at the time of the amalgamation of Campeau Corp. with Interurban Properties Ltd., and I'm indebted to Mr. J. Donald Kidd, a gentleman in Ottawa, for bringing the matter to my attention. I wrote to the minister at that time, on Jan. 3 of this year, and I sent on to him the prospectus.

What happened in that case was that Mr. Robert Campeau holds one million second preference shares of Campeau Corp. These shares carry 10 million voting rights out of a total voting right of common shares and second preference shares of 16 million—well, for practical purposes, 16,700,000 — votes. The net effect is that Robert Campeau, through his ownership of those one million second preference shares with 10 million voting rights attached to them, together with the common shares which he

owns in that company, controls 11 million-odd shares out of a total 16,700,000 shares.

As I said, I'm not concerned at all about anything being improperly done. What happened, of course, was that these one million second preference shares were created and issued at 20 cents apiece to Mr. Campeau, so for $200,000 he gets one million shares and they get 10 voting rights for each share. So he has 10 million voting rights, which far outweigh the voting rights of anyone else.

The reason for it is that the Royal Bank of Canada, a banking institution as distinct from the public who are requested to invest in the Campeau Corp. through ownership of its common shares which are traded on the stock exchange, made as a condition of granting the kind of credit to the Campeau Corp. that Mr. Campeau should control the votes of the corporation. That was the condition and that's why that particular class of shares was created, issued at an exorbitantly low rate of 20 cents per share and carrying an exorbitantly high voting ratio of 10 votes for every one share held.

I went on to say:

> I quite appreciate that all the corporate formalities were fulfilled, but it does seem to me that the point is a serious one. It would appear to me that any public company should not be able to be traded publicly on the stock exchange where this kind of disproportionate voting arrangement exists, regardless of the reason for it.
>
> The essence of a public company surely should be that it should be possible for the public—that is, the shareholders—to change the management of the company. It should be possible to devise a protective feature for the Business Corporations Act or for the listing requirements of the Toronto Stock Exchange to make certain that such allegedly public companies would not be subject to this kind of restrictive, highly controlled, and artificial voting arrangement.

Well, the minister replied to me, and I'm not going to read his letter because it wasn't directly dealing with the point. I then wrote back to him again:

> My concern was not with respect to that aspect of the problem. [This is my letter to him of Jan. 31—that is, whether there was any breach of any provisions in the Securities Act and the Business Corporations Act. There wasn't.] My concern relates to the way in which this private banking arrangement between Campeau Corp. and the Royal Bank, whatever the merits and motivations for that arrangement may have been, vitiates the ability of the shareholders if it became necessary to change the board of directors of the company and the direction of the company. It would appear to me that once a company such as Campeau Corp. becomes a public corporation with a widespread shareholding and listing on the Toronto Stock Exchange, this type of voting arrangement should not be permitted.
>
> It does not appear to me to be a matter necessarily for legislation, but a matter for the Toronto Stock Exchange in its listing requirements to indicate quite clearly that it is the policy of the Toronto Stock Exchange for publicly held corporations listed on the exchange to be subject to the residual right of shareholders at the annual meeting to change the board of directors and therefore the control of the company.
>
> It appears to me that this private arrangement must give way to the public interest, and the way in which it should be accomplished is that it should be made a condition precedent to the listing of the shares of such a company on the Toronto Stock Exchange.
>
> I am most interested to have your further comments [and so on and so forth].

In any event, I had a further correspondence from the minister which I don't need to read into the record because he undoubtedly has it in his file.

I was interested, within a very few days after my last letter to the minister at the end of January, to pick out a clipping in one of the February issues of the Globe and Mail by Irvine Lutsky, saying that control shares rules are undergoing ONSC study. It said:

> There may be some changes in Ontario Securities Commission disclosure requirements dealing with control shares of companies as a result of recent hearings dealing with Stuart House International Ltd. of Toronto.
>
> E. A. Royce, chairman, said in an interview that the commission is considering new requirements for disclosure when control shares are pledged as loan collateral. This could take the form of both the borrower and the lender being required to report to the commission any loan transaction in which control shares are collateral for the loan.
>
> During the Stuart House hearings it was disclosed that the controlling shareholder pledged all of its shares of the company

as collateral for loans. The controlling shareholder held more than 60 per cent of the issued shares. Stuart (Nassau) pledged control shares to support its own margin accounts [and so on.]

The two are not the same—they are different situations—but obviously the same kind of question arose. It did seem to me that there should be consideration, and I asked the minister in my letter to him to ask the Securities Commission and the exchange to indicate quite clearly that the principle—which I was striving to articulate to the minister in the quotations from the letters I have just read into the record—should be acted on.

I can think of no valid argument to support the proposition that that kind of private banking arrangement between the Royal Bank of Canada and Campeau Corp. should supersede the public interest in a company that is a public corporation, whose shares are widely distributed and are listed on the Toronto Stock Exchange and are perforce subject to the over-riding requirement of disclosure and control through the Securities Commission.

I don't know whether anything ever happened about it, but I would certainly like to have some indication that my letter was dealt with by the commission and by the stock exchange, and I am told that I am crazy—that's fine; it won't be the first time. But I would like a reply telling me specifically that they have turned down my suggestion, or that they are going to study it, or that they are going to consider it as a matter which should be implemented through the listing requirements.

I don't want to let the matter just go by. I can't conceive that if I were the holder of common shares which I had subscribed for or purchased on the market of a company such as Campeau Corp., with the shares listed on the Toronto Stock Exchange, that I should suddenly find my voting rights diluted by the issuance of a class of shares of the nature of the shares that were issued to Mr. Robert Campeau, even though the Royal Bank of Canada has substantial clout with respect to a company—far more clout than any individual shareholder.

Surely the common shareholders should be in a position, if they wish to do so, to change the control and direction of Campeau Corp. And if the Royal Bank of Canada doesn't want to play around in that game, then let them lend their money somewhere else. But it is an illegitimate requirement and a deprivation of the kind of basic rights of individual shareholders collectively in terms of their fundamental, basic and, in many instances, their sole remaining right, which is ultimately to change the management of the company, should they choose to do so.

Hon. Mr. Clement: Mr. Chairman, I recall the exchange of correspondence referred to by the member for Riverdale. And as I understand it, there are really two questions touched on by the member in his comments here—the Campeau situation, if I may refer to it as that, and then the general situation dealing with the pledging of financial institutions such as banks generally.

Now, in the Campeau-Royal Bank matter—it is my understanding that this is a very common arrangement in financial institutions—or corporations, I should say—obtainng funds from financial institutions, particularly when the direction, expertise, background, of a particular individual or individuals is necessary in the minds of the lender to assure the financial success of the borrower company.

And the minority shareholders of the borrowing company are really the ultimate beneficiaries in the long run if the company is successful in its chosen undertaking.

Mr. Renwick: That is the rankest form of paternalism I have ever heard.

Hon. Mr. Clement: It might be rank and it might be paternalism—

Mr. Renwick: It is.

Hon. Mr. Clement: —but I understand that this is a very common thing.

Mr. Renwick: I understand it's a common practice—that's why I've raised it. It's wrong.

Hon. Mr. Clement: I take the position that it is not basically wrong. A person who enters into any financial undertaking in a minority position, knows that the basic ground rules of bylaws and thing like this can be changed without his impeding or inhibiting it.

I am under the impression that this is not dealt with in the new Securities Act, whereas the second matter touched upon by the member for Riverdale; i.e., the pledging, is being dealt with under that particular piece of legislation. But your question is specific in the first instance and general in the second, dealing with Campeau and then the general reference to the pledging of the controlled shares. But with a minority shareholder—and the hon. member knows more about this certainly than I do, in view of his discussions

and studies in connection with the select committee—it's difficult to know whether to frame your legislation to inhibit the progress of the company or the wishes of the majority in deference to the minority.

I think it's academic, although it does have some very practical impact on those minority people who don't like the arrangement.

Mr. Renwick: I'm not going to pursue the matter longer, if the minister doesn't understand that watering common stock is an offence in many jurisdictions if you dilute the financial interest of the common shareholders. You've watered the voting rights of the common shareholders in this case, because Mr. Campbell was also a minority shareholder.

He didn't control the company at the point in time when he made the deal with the Royal Bank. But the condition of making the deal was that the Royal Bank of Canada was able to say to the board of directors of the company which he was in a position to control — because of the ownership of his shares and because he had a captive board of directors, as is the case in many companies—"We want Mr. Campeau to have a total control of this company, so you issue him 200,000 shares at 20 cents a share and give him 10 voting rights for every one of the million shares so he gets 10 million votes." Did the other shareholders have an opportunity to participate in that particular issue at 20 cents a share? Of course not. It's watering stock and it's diluting one of the fundamental rights of a common shareholder—to be able to vote his shares along with other shareholders for the purpose of changing the direction and management of that company. This was a deliberate design on a public company which was listed on the Toronto Stock Exchange, in order to protect the private interests of the Royal Bank of Canada.

If you can tell me that the Royal Bank of Canada is the bank which is controlling Campeau, and that that's acceptable to your ministry, then I say you had better thoroughly think about the whole question of the listing of public shares on the Toronto Stock Exchange. I can assure you that if that arrangement were made and we were the government and one of my colleagues was the minister of your ministry, under the Ontario Securities Commission that company would be delisted. It's just that simple, and because it's common doesn't make it right.

It was common in the United States of America and in Canada, until the securities commissions were established, for the boards of directors of companies to dilute, by watering the common stock, and I'm not going to see the re-emergence of that practice even under the aegis of such an almighty institution as the Royal Bank of Canade and have it condoned as acceptable business practice. It is wrong, and unless your Securities Commission starts thinking very clearly and very conceptually about the common shareholder, his right to vote, the residual right which he has to change the board of directors, then I'm saying to you that it's about time you cleared house in the Securities Commission and got somebody to have an outside, broad-ranging look at it.

It is wrong. Mr. Campeau should not be sitting with 10 million voting rights in that company by the issue of 200,000 preference shares at 20 cents a share. It's just wrong, and if your ministry doesn't understand it then you are in serious problems in your Securities Act, in a number of the other compromises which are inherent in your new draft Securities Act, which we'll have occasion to talk about at that time.

We're not inching forward. We're not inching forward to adapt a Securities Act to the modern needs of the business community. We are trying to draft the Securities Commission and the Toronto Stock Exchange listing requirements for the purpose of the ultimate protection of the public investor in the Province of Ontario, not for the protection of whatever deal the Royal Bank of Canada or any other chartered bank may want to make with that publicly listed corporation.

Hon. Mr. Clement: Mr. Chairman, I'm just going by my own memory of the correspondence that we exchanged some months ago in connection with this. As I understand it and recollect it, and it is subject to correction, the proposal was put forward to the shareholders of the Campeau Corp., or whatever it is, for approval prior to the acceptance of the arrangement by the Royal Bank. So disclosure was made, the shareholders had an opportunity to vote on it, to accept it or reject it. It was accepted and the deal proceeded further.

There were two conditions also, I understand, that the shares were redeemable and must be redeemed by Campeau back to the company at the same price if he dies within 15 years, or if he left the company within 15 years, and this fact was known to all the shareholders. It was an assurance, as I understand it, to the shareholders of that com-

pany that they would have the leadership and expertise of this particular individual for at least 15 years or the shares came back, and so it was done with notice. That is my recollection of it.

Mr. Renwick: All I am simply saying is that your final note to me on Feb. 8 was, "I requested observations of both the president of the Toronto Stock Exchange and the chairman of the board of governors as well as from the chairman of the Ontario Securities Commission. When I hear back from them I'll speak to you concerning the same. Yours very truly."

Then I had a further letter from you on April 22, enclosing replies from the Toronto Stock Exchange, and it's all just plain gobbledygook. It should never have been allowed to happen. I'm saying to you, you've got to get somebody who understands the securities laws, understands the fundamental need to protect the investor, and not let the Toronto Stock Exchange connive in that kind of arrangement as though it has no significance whatsoever for the purpose which it is about to fulfil. I'll deal with it when we're in committee on the Securities Act.

Mr. Chairman: Any more comments on item 1, securities?

Mr. F. Young (Yorkview): Yes, Mr. Chairman. I would like to ask the minister if he has had brought to his attention the situation in regard to the Scurry Rainbow convertible debentures after the takeover by Home Oil of that particular company, and if any action has been taken about it?

Hon. Mr. Clement: I would just beg the indulgence of the chairman and the member for a moment if I may.

I can't recollect the Scurry Rainbow one in particular, but I will undertake to get it back to the member within 24 hours. I just can't remember it.

Mr. Young: Perhaps then, Mr. Chairman, I can put on the record a bit of correspondence in connection with this. This letter, first of all, from William A. Hutchison of A. E. Osler Gendron Ltd. to Mr. Edward A. Royce, the Ontario Securities Commission, dated July 16, 1974. And I think this puts the situation pretty clearly:

> Recently Home Oil Co. Ltd. made an offer of $27 per share for all outstanding shares of Scurry Rainbow Oils Ltd.
>
> The offer, beneficial to common shareholders, caused great financial distress to the convertible debenture holders. The convertibles were quoted prior to the offer at $93 to $97, and after the expiration at $78 to $80.
>
> Home Oil, in fact, to all intents and purposes, destroyed the marketability of the Scurry Rainbow common shares, 87 per cent of the stock tender, thus reducing the convertible debentures to nothing less than a straight term bond.
>
> Had Home Oil Co. Ltd. honoured their commitment to the convertible debenture holders, they could have (a) redeemed the bonds as prescribed in the prospectus; (b) offered a substitution debenture convertible into the common shares of Home Oil Ltd.; (c) reduced the conversion of the convertibles to $27 per share, thus in effect redeeming a debenture at par, that is $100.
>
> Again, in the interests of the debenture holders, we feel that Home Oil Co. Ltd. should be directed to make amends to the debenture holders. We look forward to your reply.

Before I read that reply, I just want to quote a few excerpts here from a sheaf of letters that came to my hands from the brokerage firm. These letters are from holders of the convertible debentures. Just a paragraph:

> This bond was purchased by me as a low yielding instrument in order that I might have the opportunity to participate in the growth of Scurry Rainbow as their exploration was fulfilled.

I believe these were five per cent convertibles. So it was a low yield, but it looked good evidently to the holders of the convertibles. Again quoting:

> Instead I am left with, as you say, a straight term low coupon debenture. Home Oil has deprived me of the instrument which I originally purchased. I believe that Home Oil, at the least, should redeem these debentures at par, that is $100.

Here is another letter:

> It is my assumption that the conversion privileges have now become worthless under the present provision and that this issue from here on to redemption date can now be classified as only a low interest vehicle that, under the present inflationary cycle, could end up in 1988 as being worth less than half of even the present dollar value.
>
> I believe that these debentures should have either been called at the time of takeover and paid out at the $100 unit,

plus accrued interest, or offered a substitute convertible debenture convertible into the common shares of Home Oil Co.

Now, I have more here, but that gives the sum and substance of it. But a letter is here from the Ontario Securities Commission to Mr. William Hutchison.

Dear Sir:

Mr. Hutchison's letter herein, dated July 16, 1974, addressed to the chairman, has been referred to me.

The takeover bid by Home Oil Co. Ltd. for all outstanding common shares of Scurry Rainbow Oils Ltd. at $27 per share was made in compliance with the takeover bid requirements of the Securities Act of Ontario and the tender offer requirements of the United States legislation.

I have noted your comments with respect to the convertible debentures. The commission has no power to direct Home Oil Co. Ltd. to make amends to the debenture holders of Scurry Rainbow as suggested in Mr. Henderson's letter.

Sincerely yours,
E. C. Howard,
Director.

Mr. Chairman, through you to the minister, this is a situation where a great many people bought the convertible debentures in good faith. They believed they were investing in the future growth of the Scurry Rainbow company and the future growth of Canada and could, at the proper time, convert their bonds into common shares of the company. These people, in good faith, bought these debentures believing in the future.

Yet here we have a situation where a company, through a simple takeover, has rendered the value of these convertibles much, much less and they now become simply a low-interest-bearing bond and of course the value on the market is going down steadily.

It just seems to me if it is true that the Act was complied with here, then there's something fundamentally wrong with the Act, and that an amendment here is very desperately needed. I would hope that something can be done by the minister speaking to Home Oil and urging them and perhaps ordering that some restitution be made because there's no question that the holders of these debentures have been literally robbed of a large value of their equity and robbed by a simple act of a company which ignored the interests of the people who had invested in Scurry Rainbow.

I would like to hear the comments of the minister in this regard because this seems to me to be a barefaced bit of robbery which evidently, according to Mr. Howard's letter, is allowed under the Act. And this to me is incomprehensible.

Hon. Mr. Clement: Mr. Chairman, I was not personally familiar with this one until the member for Yorkview mentioned it here tonight. I am advised that the situation which he has described just now was in compliance with the existing legislation, under the securities legislation, and that it was also in accordance with the rules and so on that apply to the Toronto Stock Exchange. In other words, Mr. Howard's letter to the member was correct and that, in fact, a number of people did lose their conversion privileges—as he has described here in the House this evening.

The commission is aware of this, arising really out of this Scurry Rainbow matter, and is devising policy now which will be made public before the end of the year to preclude this sort of thing from happening again.

Now, the member has also touched on another area as an incident of this: Should there be legislation to compel the restitution of this sort of thing? Because the takeover bidder complied with the legislation, there is no way, of course—I know the member is not suggesting it—we can bring in legislation compelling this retroactively. Whether that should be done in any future legislation would be a matter of policy. I'm rather inclined to think that restitution under these circumstances would not be ordered. The hole—and it is a hole—will be plugged, so therefore there will be no necessity for it.

There is no way I can bring in legislation to compel these people who complied with the law to make amends. If someone feels that he has been harmed, he would have his rights in the courts. However, it would appear that they would probably be unsuccessful if the law has been complied with in this particular takeover, the situation the member has described.

I would like to look at it personally and get in touch with the member tomorrow, but this is the advice I received from my official here this evening.

Mr. Young: Mr. Chairman, what the minister says may be true, that the law is complied with in this kind of a situation. But the law certainly is an extremely unjust one and how a company of the size and reputation of Home Oil could engage in this kind of sheer skulduggery is hard to under-

stand. Surely a word from the minister and some urging on the part of the minister are needed, that for good relationships in the future between Home Oil and the public, as well as Home Oil and the government, they should make some restitution in this regard and make the kind of arrangements so that these people will not suffer the penalty which they have suffered because they believed in the future of Canada, in the Securities Commission and in Scurry Rainbow.

I just don't understand why this kind of thing can't be negotiated by the minister on behalf of the convertible debenture holders and certainly I would hope that the minister is going to introduce legislation very quickly to plug this kind of loophole so this kind of thing cannot happen again. But surely the minister can undertake to do something to bring the debenture holders and the company together and to work out some sort of satisfactory arrangement so that it is not going to cost the company that much. It is certainly going to add to their reputation for fairness and for decent dealing in the marketplace.

I hope the minister will take this under advisement and at least bring these people in and talk to them in no uncertain terms about the necessity of restoring their reputation in the marketplace.

Hon. Mr. Clement: I will take that under advisement.

Mr. Chairman: Shall item 1 carry? Carried. On item 2, pension plans, the hon. member for Windsor-Walkerville.

Mr. B. Newman: Mr. Chairman, at the outset I want to express my deep appreciation to Mr. Bentley of the minister's staff for the tremendous co-operation I have received from him in the past. He is a very good addition to your staff, Mr. Minister. He is extremely co-operative and always willing to help, and I found it a pleasure to talk with him.

I want to ask, regarding negotiations between the auto workers and "the big three"—Ford, Chrysler and GM—whether the pension arrangements are "30 and out" or "35 and out" in years of service.

Hon. Mr. Clement: It is 30 and out at age 55.

Mr. B. Newman: The age category is attached to the arrangement? How many plans are registered that are using the 30 and out at 55?

Hon. Mr. Clement: I can't tell you exactly. I know the car industries are—Ford, Chrysler and GM—but I can't tell you offhand how many others there are. We can get that information for you; it is available, but I just don't have it here.

Mr. B. Newman: You can give it to me at some other time. I just wondered whether it was only the unions of "the big three" that had negotiated such a pension agreement on behalf of their members, or if that was spreading to other segments of the industrial world.

Is there any consideration being given on the part of the ministry to making pensions portable? Say an employee works for General Motors for 20 years and, for one reason or another, he changes his loyalty and works for Ford, Chrysler or some other concern that has a similar type of pension scheme, is there any consideration being given to portability so that he could continue receiving exactly the same type of benefits?

Hon. Mr. Clement: That would be an ultimate sort of a thing, but you would have to have a standard plan for every worker in every pension plan in every industry. I couldn't say that I could ever foresee that happening under our present arrangements, where there are about 8,000 pension plans in existence in this province. Unless everyone had a common plan, how could I ever give the assurance that everyone is going to get the same thing for the same number of years of service?

Mr. B. Newman: I am not referring to them getting the same thing, but to an individual maintaining full pension rights. He might have 25 years with one company and only seven or eight years in another company; under 10 years there would be no vesting and he wouldn't be entitled to any pension benefits, whereas if you combined the two periods of service, he would have them.

Hon. Mr. Clement: Well, there is portability between one industry and the other, but it has to be accepted by the new employer, as I understand it. But I want to make it clear that they obviously don't have the same benefits in the various plans and in different industries. If an employee moves from one industry to another, he doesn't necessarily get exactly the same benefits if the plan is obviously different. But if he moves into the second industry and they accept him out of the first one, then he is all right.

Mr. B. Newman: Is the acceptance of him in that second industry something that has

to meet with the approval of your ministry? Or is it simply an agreement between the two companies that he has worked for?

Hon. Mr. Clement: I am advised that if it is a term of the second industry's plan that this be permitted, then there is no problem.

Mr. B. Newman: Then there is really no attempt or no encouragement on your part to develop some type of scheme in co-operation with the industry and your ministry so that there could be a little more portability. A fellow in the course of his 35 years of employment could work for three or four different auto industries, I am thinking of my own community where you have Ford, Chrysler and GM. He could end up working eight years in each and end up with nothing. However, if there were some way of combining all three, then he would have 24 years of service and be entitled to some type of pension.

Hon. Mr. Clement: The Pension Commission is working on this thing right now. I agree that the matters touched on by the member for Windsor-Walkerville have in fact happened, particularly in the United States.

The cases are legend over there. A man can be employed in an industry for 31 years and a member of a certain union local, and for reasons of changing employment or some particular reason he moves down the road and has to join another local of the same national union and only acquires eight years' service there. When he is of retirement age he is unable to collect from either. He hasn't got the 10 years in the second one, and when he went on pension he wasn't a member of the first local of which he had been a member for 31 years.

We have learned a great deal from the experience over there. If the member hasn't read it, I would suggest that he acquire a copy of the book by Ralph Nader, "Your Pension and You". It explains a lot of the things which have really been an abuse of billions of dollars of workers' money in the United States.

Mr. B. Newman: Mr. Chairman, I happen to be a bit familiar with that, because I do read Detroit newspapers. It almost brings tears to one's eyes when you see people who have been trapped in the industrial world after, as you made mention, 31 years of service through a series of companies and still have no type of pension benefits made available to them.

I immediately think that society—and by that I refer to government—should develop some type of apparatus to protect the individual so that after working all those years he doesn't get only the Canada Pension—that he would be entitled to under our legislation—but likewise benefits from the contribution he made to the various pension schemes in the industries in which he happened to be employed.

I notice that the US now is very concerned over its pension schemes and has either introduced legislation or there is legislation now going through Congress that would resolve some of the problems.

I know we will never resolve all of the problems, because quite often as we resolve one we only create another. But I am extremely concerned over this. I am likewise concerned over the fact that former municipal employees don't have any bargaining rights whatsoever after they retire. I know it is nothing that your ministry can come along and do. It could mean amendments to the Municipal Act; it could mean amendments to the Police Act. But once they are retired they don't have survivor benefits, in a lot of instances, and they don't have any fringe benefits; they are really stuck.

However, when it comes to the auto union, in the course of its negotiations for improvements in wages, it also works for improvements in pensions for the individual. So the auto worker doesn't worry about the indexing of his pension, whereas the civil servant working for this government and working for a municipal government has to come cap in hand to government to get an adjustment to his pension.

It's on an ad hoc basis, so to speak, whereas there should be some sort of arrangement. Maybe it's the responsibility of the various civil service, municipal and public works unions to have some type of tie-in so that when they negotiate for salary increases from their employers, automatically they are negotiating for their retirees so that they can benefit by an expanding and an inflating economy.

I see policemen, firemen and public works employees in my own community who retired 10 and 15 years ago getting no adjustment in their retirement benefits. It really isn't fair when you look at the auto worker. No one begrudges him getting all these additional benefits, but he gets them while the civil servant on a municipal or provincial level is trapped. He can't get it at all.

Possibly there should be some dialogue in your ministry to put the bug in the ear of the minister responsible for the Municipal Act, likewise the minister responsible for the Police Act and any other Acts so that the Civil Service Association or the union could bargain on behalf of retirees.

At least let them not be affected as adversely by inflation as they are today. I only bring that out, Mr. Minister, to show you there is a problem with retirees. There is a problem with pension plans but you don't have control over the pension plans I am referring to, or at least you don't have control over the inability to negotiate on the part of retirees.

Mr. Minister, is there ever consideration given to an individual, injured on the job in his later years of employment, to make payments into a pension fund so he could receive full pension on his normal retirement? Say he's got three or four years to go and he is too severely injured to go back to his employment. He may be collecting workmen's compensation for that period, then retires at the age of 65 not having the required number of years of service. Because his pension is based on his years of service he gets a reduced pension, whereas if he made a personal contribution to the pension fund, through his union or some other mechanism, he might be entitled to the full pension.

Mr. Chairman: Shall item 2 carry?

Mr. Renwick: No.

Mr. B. Newman: Wait. Let the minister reply.

Hon. Mr. Clement: It depends on the plan. As I understand it, some plans specifically provide for this sort of thing, while others are silent. These are contractual matters between the employer and the group of employees. As these types of situations become known and become common, it usually becomes a negotiable item when the pension plan is being discussed by the bargaining agent, if there is one, namely a union, and the employer. But it is not mandatory, as I understand it.

Mr. Chairman: The hon. member for Hamilton East.

Mr. R. Gisborn (Hamilton East): Mr. Chairman, I haven't been able to follow the line of contention the member for Windsor-Walkerville has raised.

I would like the minister to explain to me this item under pensions. I understand we have the Pension Benefits Act, the Ontario government assists the administration of that Act, and that amount of money is what pays for the administration of that Act —$324,300 you have estimated.

Hon. Mr. Clement: Yes, it's for the Pension Benefits Act. You are quite right.

Mr. Gisborn: I see no notes on the operations of the Act. When was the latest report submitted and tabled? I am raising it because it seems like a lot of money to administer the Act when we have—is it called an advisory committee of the Ontario Benefits Pensions Act?—that administers the Act itself.

Hon. Mr. Clement: There are 21 employees working for the commission. It generates revenues of approximately $300,000. The activities are many and varied. If you would like me to go through them I would be pleased to. Would you or wouldn't you?

Mr. Gisborn: Well, just a brief explanation for my own edification. I understand that any company establishing a pension plan registers it with your department under certain provisions and your Act provides that that company carries out certain obligations to its employees under the Act. This seems to be a lot of money to administer that Act. That is the point that I am raising.

Hon. Mr. Clement: We administer the Pension Benefits Act, and under certain interprovincial and Dominion-provincial agreements we administer the Pension Benefits Standards Act of Canada, the Pension Benefits Act of Alberta, the Pension Benefits Act, 1967, of Saskatchewan and the Supplemental Pension Benefits Act of Quebec on a reciprocal arrangement.

Now, the commission itself deals with the registration of all new pension plans with amendments to existing plans. We have been touching earlier this evening on how amendments are completed, and the necessity for them. They supervise the plans already in existence, respecting the annual information returns, valuation reports, statements of assets and so on. They examine and approve, if in order, all reports on the winding up or termination of any pension plans.

They deal with complaints and inquiries arising out of pension matters. Last year they received 143 written complaints and 3,600 by telephone. They ensure that the plans with members in more than one jurisdiction meet the requirements of the various legis-

lation, and they deal with the preparation of statistical and other matters.

There is a cash flow of approximately $1 billion per annum into pension funds in the province, not into the Pension Commission. The total of the estimate is $324,300; the net cost to the taxpayers is approximately $20,000 or $25,000.

Mr. Gisborn: Might I ask when the last report was tabled? I understand there is a report from the advisory committee.

Hon. Mr. Clement: I think it was 1973, but I can look that up for you.

Mr. Gisborn: Just one other brief question. The estimate for here has nothing to do with the funding of the moneys of those pension plans? No, they fund them in their way. What you do is supervise the actuarial and the performance of their funding.

Hon. Mr. Clement: That's right.

Mr. Chairman: The hon. member for Riverdale.

Mr. Renwick: Mr. Chairman, I want to spend a few minutes on this particular vote on the Pension Benefits Act and where we are going on it. I don't pretend for one single moment to have any specific knowledge about the field of pensions, but for about the last year I, as well as a number of people, have been concerned about some very serious problems which are looming at least on the horizon, and in some cases have appeared, with respect to the whole administration of pensions in the Province of Ontario and raise serious questions about the adequacy of the Pension Benefits Act.

On the odd occasion I disagree with my colleague who has just spoken, the member for Hamilton East. I am curious as to whether or not we can safely rely on such a small administrative body to deal with the growing concern about pension matters.

The extent of it is really rather startling. In the statistical information that we had from the ministry a few days ago, on page 14 it indicates that there were about 7,985 plans registered—this is at the end of 1973—that in 1973 469 plans were discontinued, with 459 new registrations. There are now apparently in the Province of Ontario about 1,100,000 people covered under pension plans subject to the administration of the pension benefits commission under the Pension Benefits Act.

The increase in the funds being invested by pension plans is obviously staggering. A study sponsored by the Toronto Stock Exchange noted that pension fund assets grew from about $3.6 billion in 1960 to more than $13.5 billion in 1972 and are expected to reach about $30 billion by 1985.

Mr. Stokes: Most of it invested in the US.

Mr. Renwick: Of private pension plans in Canada in 1960, there were about 8,900 plans. In 1970 there were about 16,100 plans. I am not going to go into various types of plans because I am not competent or able to deal with it. The crunch, however, requires the serious forethought of government on how they are going to deal with it.

I think anyone would consider it trite to say that any person approaching pension age or receiving a pension is very much concerned these days about the purchasing value of the dollars which he will receive through his pension, having regard to continuing inflation and what is becoming an accepted theory of pension: not as a sort of payoff at the end but a deferred payment of benefits which they could have received in other ways during the course of employment.

That is going to exert immense pressure on existing pension plans and be an inhibiting factor against the introduction of plans in areas now not covered by pension plans. The contra side of that problem is, of course, that the depression, another incident of the inflation of the bond and stock market, has been such that the return on the investment funds is creating a serious and substantial deficiency in many pension plans. This is going to have to be covered at some point by cash payments from the companies involved in the plans.

Mr. D. M. Deacon (York Centre): Did you say inflation of the bond and stock market or inflation on the markets?

Mr. Renwick: I said the effect of inflation on the bond and stock market. One aspect of it was the very great depression in stock and bond prices and in the returns received on the investment when you compared the cost of the securities which many pension plans hold in their funds with the present market values.

I would like to have stated that more dramatically. But the crunch is going to come in the pension field. It is going to be felt in company-union negotiations. It is going to be felt throughout the government service in negotiations for pensions. It is going to be felt in the demands being made by persons on pension for increases in their pension pay-

ments through some form of cost-of-living allowance or demand that an additional bonus be paid.

But whenever the actuaries start looking at each of these plans on a regular basis they are going to insist that additional dollars be put into the pension funds to keep them solvent. I note very carefully in the last report I have of the pension commission for the year ending Dec. 31, 1973, that it tends to reflect that very concern.

The report seems to deal with solvency more than anything else. It states that the Pension Benefits Act has been in force for nine years. "The Pension Commission's main responsibility is to ensure that pension plans meet the statutory conditions prescribed for solvency."

One of the questions I want to raise with the minister is: Are the statutory conditions in the Pension Benefits Act at the present time sufficient to ensure the solvency of the fund? They are also designed of course for the investment of pension funds and for the preservation of employee settlements.

The major function of the commission now is to ensure that pension plans continue to operate in accordance with the legislation, particularly in the area of solvency of the plan. I am delighted to know that the Pension Commission is responding to the obvious need to be concerned on the whole question of solvency.

There seems to me to be a number of legislative things which have to be done in the Act. I think it is probably very clear that the 45-and-10 rule is going to have to become a 40-and-5 rule. I don't know about that, but I tend to think that that is probably one of the amendments that the government may very well already be considering.

I am extremely concerned about the fact that on this question of solvency, any company can terminate its pension plan, as I understand it, unless it has a contractual obligation as a result of management and union negotiation to maintain the plan.

I understand there are many plans, which if they are going to be faced with this solvency problem requiring them to put up substantial amounts of cash into the pension fund, are going to be faced with the question of whether or not the company can continue.

As late as September of this year, in the Financial Times of Sept. 9, there is a statement of one company—I haven't had an opportunity to check, but I do not believe that it happens to be in the Province of Ontario. The article says:

> Domco Industries is a flooring manufacing company with 500 employees. It abruptly suspended its pension plan because the cost of meeting the plan's financial requirements were more than it could bear. Domco's decision was taken as a last resort. If it had not ended the plan, the company would have had to go out of business. This not only would have wiped out 500 jobs, but may have also cut into the livelihood of former employees already receiving pensions.

It indicates quite clearly in the article that "fortunately at the present time not many companies appear to be faced with that kind of drastic solution." But that is the most drastic result of all.

I am simply saying that a similar event occurring in the Province of Ontario—and I stand to be corrected on it—would mean that any employer, subject to contractual arrangements with a union, is in a position where it can unilaterally terminate the pension plan. And that applies, despite the amendments which were passed last year dealing with the transfer of business from one company to another company where an effort was made to permit the purchasing company to continue on with the programme if it treats the period of service as continuous, so far as any given employee was concerned.

It didn't touch upon the root problem of the unilateral right of most employers to terminate the pension plan as and when they wish to do so.

The consequences of termination, of course, presumably under the Pension Benefits Act, are worked out as equitably as possible in the event of termination. But there is nothing which provides that an employer embarked upon a plan cannot terminate that plan.

I was reading the "eternal optimist" speech to the Canadian Pension Conference at the Constellation Hotel by your colleague, the Treasurer of Ontario (Mr. White). He was indicating quite clearly that whatever was wrong in the United States, of course, wasn't wrong in Canada; and that really so long as the United States and the legislative authorities in the United States adopted the Ontario Pension Benefits Act, that everything would be perfectly fine.

However, it is very significant to note that just within the last day or so the superintendent of pension legislation research at

Manufacturers Life Insurance Co. has indicated that it may well be that the Pension Benefits Act of the Province of Ontario should be amended to contain the kind of provisions brought into force on Labour Day by the proclamation of the United States Employee Retirement Income Security Act of 1974.

I take that to mean that what they were doing is setting up some kind of an insurance protection so that if a company had to discontinue its plan there would be some insured benefits from an insurance fund available to protect the employees and their interests under that plan. I again don't know the details of it but Mr. Tarver is a recognized authority in that particular field and he indicated quite clearly that that is a very needed amendment to the Pension Benefits Act in the province.

I had the opportunity to receive today through the courtesy of the Minister of Labour (Mr. MacBeth) the report which has just been released on the amendment to the Human Rights Code which we passed some time ago, but which was not proclaimed in force until the whole question of the effect of discrimination—by reason of sex, marriage or age—on pension plans was thoroughly canvassed. I am simply delighted to read, although again I don't pretend to understand the immense technicalities, the interim report of the task force which was appointed to decide at what point in time that amendment to the Human Rights Code could apply to pension plans and other employee benefit plans. I note that it is recommended that April 1, 1975, be the date on which that amendment which we passed in 1972 to the Human Rights Code should be proclaimed in force.

It seems to say a number of right things which I guess all of us wish had been part of the law of the Province of Ontario for a long time, and that is that there should not be discrimination in insurance plans, pension plans, employee benefit plans, and other such incidence of the terms and conditions of employment—either on the basis of marital status, on the basis of sex, or on the basis of age. There are 84 recommendations, all of which are couched in extremely technical terms.

It was obviously a very difficult task to have performed and I note that you are inviting papers to be submitted commenting on the various proposals. I only hope that that will be pressed on with by the Minister of Labour with great vigour and that we will get the acceptance of non-discriminatory bases throughout the pension plans and employee benefit plans in this province.

If I could return briefly, Mr. Chairman, to the question of the returns on pension plans. There was a William M. Mercer Ltd. report that after the effects of inflation, real earnings in most funds in Canadian pension plans were in the neighbourhood of 3.1 per cent annually from 1963 to 1972. With the recent poor performance of both bond and equity markets it is likely that this poor record has worsened. When such statistics are released there is a predictable cry that pension funds are being mishandled. I don't know whether they are or whether they are not being mishandled, but we hear a lot of comment in the press when such a low rate of return on the investment is reported by the investment managers of funds which are part of pension plans.

I had another reference to the rate of return which indicates that it is considerably lower than that at the present time. There is a reference in the Financial Post within the last month or so to say that in Canada a study just released by B. J. Vincent Co., actuarial consultants, shows the median annual yield on equity pooled pension funds managed by major life insurance companies over the five-year period ended July, 1974, was 1.7 per cent. For trust companies the yield was 1.6 per cent. In the same period the yield on stocks composing the Toronto Stock Exchange industrial index was 2.2 per cent. This dull performance record is influencing many companies to shop around aggressively for professional money managers who can improve the yield on pension funds.

I think I don't need to go on any further in elaborating the kind of concern which I have. It basically relates to the solvency of the pension funds for a large number of reasons, some of which I have commented upon.

It seems to me that with the need to give consideration to the protection of the employees from the deficiencies in our present legislation—the economic problem of covering the deficiencies in the pension plans to preserve their solvency — the government should seriously consider appointing a task force or a royal commission or some body to examine now the whole question of the private pension plan field in the Province of Ontario; to examine the relationship between the private pension plans and the government pension plans; to examine the impact of the actuarial requirements of meeting

their experienced deficiencies; to determine whether or not there is a significant threat to the viability of any number of plans in the province; and to look into the question, which is always topical when these questions are raised, as to whether or not the investment in the pension fund is being invested in such a way as to maximize with care and security the return on the investment portfolio.

I don't think we can pretend for one moment, with the ageing of our population, that there isn't going to be a serious crunch in the demands, on the one hand, of those in the labour force for adequate pensions and, on the other hand, the difficulties which will be experienced by employers in meeting the demands, in the negotiation of improvements in the plans, let alone in many cases the institution of new plans, because there appears between 1972 and 1973 on those statistical figures to have been no marginal change in the number of people covered in the Province of Ontario. We recognize that we are entering into a very tough negotiating time with very difficult – indeed, in some people's opinion intractable–problems related to the administration and supervision of pension funds in the Province of Ontario.

I certainly would appreciate it if the minister would take a moment or two to speak in response to the concerns which I have tried to express in a field in which I am not particularly competent, but which I sense instinctively or intuitively from reading and from hearing what has been said. In view of the inadequacy of pensions and the pressures that are constantly being dealt with in the last six or eight months, I think it is most important that the government recognize the social implications of the problem, and the economic implications of the problem and try to explain what is a very difficult field by the appointment of some body, which in some way could bring some order out of a very difficult topic and make it a lucid one, and to provide the kind of assurance and new insights which may be required to meet this ongoing and continuing need of our population.

Mr. Chairman: Shall item 2 carry?

Mr. Renwick: No, I would like the minister to comment.

Hon. Mr. Clement: Mr. Chairman, I have listened with interest to the member for Riverside. He touches on some very important items, particularly I think on the matter of the payments to the retiring and retirees of a pension plan. With escalating costs as they are, how do you fund it? I think he is well aware of the actuarial problems in trying to determine how and who should fund these plans.

You made reference to a company called, I believe, Domco, which was a Quebec company which folded some two years ago. We had no involvement in that other than that there were, I believe, 10 or 11 people who resided in Ontario but worked out of it.

Mr. Renwick: I was quite sure it was not an Ontario problem.

Hon. Mr. Clement: There are a number of matters that the Pension Commission is considering right now in terms of new initiatives and requirements for the future. Reinsurance is one of them. I think you touched on that. Perhaps there are certain areas that we should touch on. Changes in the funding rules may be required as economic changes are brought about.

I don't profess to know anything about pension plans, other than that the Pension Commission is under the very strict obligation that the basic ground rules set forth by the legislation are, in fact, adhered to for the very valid reason that people are depending on these plans for their very existence at some future time.

The Pension Commission is presently still assessing a number of very detailed briefs which were generated as a result of the green paper, circulated in November, 1972–

Mr. Lawlor: October.

Hon. Mr. Clement: –as to the 40-and-5, and we should have some observations to offer in due course to this House in connection with the submissions which are made as a result of that green paper.

I just received my copy of the Minister of Labour's comments today contained in the task force chaired by Mr. Robert Johnson. I am sorry I haven't had an opportunity to read it. I didn't get it until this evening, both in summary and the long form, but I will find it very interesting to read.

One thing causes me concern. I don't know what the recommendation is in the paper and I may be anticipating, either correctly or otherwise, but where do you draw the line on discrimination for reasons of a sexual nature as to male v. female? Where do you draw the line there and on the very logical and proven statistical data on lifespans or life expectancies because of differences in

sex? I don't know how you resolve that and I'll read with interest because I think that—

Mr. Renwick: The report seems to recognize the actuarial distinctions which may have to be made.

Hon. Mr. Clement: I haven't looked at it. I have had some conversations with people who have been in to see me from the pension industry—really only about two people—who formulate plans, who make presentations of plans, and this is something that they will welcome so that their thinking might be clarified.

The biggest problem as I see it today is the question of how to fund these things as the purchasing power of the dollar deteriorates. I wish I knew the answer to that question. It isn't only relevant to pension plans, although these are the people who seem to to feel it the hardest. It's relevant to other similar areas.

I do appreciate your comments and you could have confused me. You are very, very modest; you said you didn't know anything about pension plans, but you obviously demonstrated that you know a great deal more about them than I do. I don't think we are that far away in age differences. Perhaps you are not feeling as well as I am today and you are more pension-plan oriented than I am on this particular occasion. I don't know the reason.

An hon. member: Mutual admiration.

Mr. Lawlor: These exchanges of modesty cause me to blush.

Mr. Renwick: Perhaps I have a little more foresight, or I'm not so busy, so that I can worry about these things.

I would hope the remarks I have made about this problem will be sufficient to ask you to consider the appointment of a minister's committee or some such body that will have public hearings and receive briefs but will try, more than anything else, to come up with the kind of understandable report that the ordinary person can read.

I think it's fair to say that, when you've got a stable economic society, without wide fluctuation in the markets or in the value of the dollar; when the federal government isn't printing more and more paper money, and all the other things which lead to instability in our society, people generally accept the pension arrangement because they can make plans for the future. But now you've got people moving from an income-earning position into that group that require support called "fixed-income people". I think their question is to what extent that obligation can be shifted to government pension plans.

It's going to be difficult to avoid the conclusion that the government is going to have to pick up the tab unless it can be illustrated clearly that employer-employee relations require the kind of plans where pension costs will be considered deferred payments and industry will bear its fair share.

In addition, the ministry always likes to say that, so far as the so-called consumer is concerned, it's engaged in educating people. I would guess there are very few people who understand even the terms referred to in pension plans.

If you look in the back of the Minister of Labour's report—the report of the task force under the chairmanship of the deputy minister—there is a glossary of terms which I defy any person to understand: Participation requirements, pension formerly, pensionable date, postponement retirement, pregnancy benefits, unit benefit pension plans, unit benefit formula, uniform discount factors—all of those are jargon.

Mr. Stokes: It must have been written by a lawyer.

Mr. Renwick: I think people have got to understand what their pension benefits are in clear and understandable language. They must understand the implications of the problem.

If it weren't for the fact that we would be having an election next year it might well be a topic a select committee could look into. But my guess is that the best, quickest and most efficient method is a minister's committee to look into the matter. Perhaps Mr. Tarver is the kind of man, since he gave evidence before the U.S. Senate on various aspects of our pension plans. Maybe you should also have a representative from one of the major trade unions that are knowledgeable about the pension plans, such as the Steelworkers or the auto workers, and a representative from government, a chap—

Mr. Stokes: Hugh Peacock.

Mr. Renwick: —like Hugh Peacock. You have one of them as a member of the pension commission now, Gordon Milling from the Steelworkers. There are a number of people representing that interest who could do a first-class job for the minister.

Forewarned is forearmed. Now is the time to give serious consideration to that kind of general look, before a problem gets worse. It may very well get worse. Certainly the volume and demands will be enlarged over the years because even in a stable society, with rising expectations people are going to expect more dollars during their retirement than most pensioners are getting at the present time.

Mr. Chairman: The hon. member for York Centre.

Mr. Deacon: Yes, Mr. Chairman, I have been very interested to hear this discussion on the funding of pensions and how we should be protecting people. The more I examined the question of pension plans, the more I felt that they should almost be confined to deferred payments paid by the company and employees into funds and then managed by whoever are chosen by the employees to manage those funds—employment-management committees.

I can well remember finding a situation where you can buy these insured plans where the company's contribution is very low at an early stage because, if it's a new company, the employees are generally younger. But as they get on in years and if the company has difficulties, what seems to be a very assured position for the employees can vanish overnight.

I also object to the whole question of vesting as a means of forcing people to stay on in a company. I feel that portability is a much more important thing. If somebody doesn't want to stay with a company, he is not going to be much good for them anyway. I don't think using pension schemes as a means of persuading people to stay on in the employ of a company is a very wise management policy. But that's beside the point here. I am concerned about whether this pension plan branch does anything to look after the problems of employees of government structures or educational structures as well as private organizations—if they have problems as to interpretation of their rights. Do they help other than just private funds or do they deal with government situations?

Hon. Mr. Clement: You mean for a person to obtain information about his or her own plan?

Mr. Deacon: If there is a dispute and there appears to be a very literal interpretation used, where really the spirit of the agreement is not being followed, does this organization go to bat on behalf of those who may have a grievance, whether it be a private pension plan or a government plan?

Hon. Mr. Clement: Yes, that is one of the functions which the commission looks after. Perhaps you weren't in the House or you might have been here and I wasn't aware of it, but—

Mr. Deacon: I thought I understood that, but I wasn't just sure.

Hon. Mr. Clement: Yes, you will get the employee who has a complaint of one kind or another: He says his funds are locked in; there is an inability to withdraw contributions after long service and all this sort of thing. There will be a dispute and he will come to the board, either through correspondence or through a steward or a union representative, to make his complaint known. The board then attempts to rationalize it with the employer or the group involved so that the matter is resolved.

Sometimes, I can tell you, it isn't just the matter of someone going against the employer. Sometimes you will find that there is a disagreement between employer and pensioners and they will come before the pension commission. Early this spring, as I recollect, there was some disagreement on interpretation of a certain section of the Act. The pension commission took one view and the automobile manufacturers took another and meetings were conducted and I suggest the matter was resolved to the ultimate benefit of everyone.

Mr. Deacon: I have had a couple of situations where I had hoped to get more help than I was able to. Maybe I should have gone to work a little more closely with the pension branch. This was in relation to a dispute with one of the community colleges where I felt there was a very unfair approach taken by the college in dealing with a person who had been employed at a fairly late stage of life on the understanding that he would be provided an opportunity to continue his employment up to the age of 70. In fact that person's services are still desired and used, even though he is well over 70. But there is no way that he can get on to a proper pension basis because of the interpretation that is given to the years of service in the way he is being employed.

It seemed to me most unfortunate that sometimes we have, not only in private in-

stitutions but in our government institutions, a very literal and unfair approach taken to interpretation of these plans that makes it almost impossible for individuals to meet the expectations they are led to have at the time of their employment. I'll go to the branch to see if I can get some help in regard to this matter.

Mr. Chairman: The member for Lakeshore.

Mr. Lawlor: I have decided not to speak, thank you, Mr. Chairman.

Mr. Chairman: Shall item 2 carry? Carried.

Item 3.

Mr. J. P. Spence (Kent): Mr. Chairman, is this the vote that cemeteries come under? I would like to bring to the attention of the minister the cemetery boards in our part of the Province of Ontario.

Before the session adjourned in June, I had partly discussed with the minister the concerns of the cemetery boards, which have to hand over the perpetual care funds to his cemetery branch. We find that these cemetery boards are all made up of dedicated men. When they were named to the cemetery boards, generally the cemeteries were in a bad condition. These members gave up their time, gratis, to beautify the cemeteries and raise funds for the perpetual care fund, and also built a healthy amount of money in their treasury.

Now, of late years, I understand the inspectors from your cemetery branch have been informing these boards that they'll have to hand over these perpetual care funds to the cemetery branch to administer. Many of these boards resent this after they have given us their time, money and a great effort to make a beautiful cemetery. Some of them tell me that if they have to hand over this perpetual care fund to your cemetery branch, they're going to resign from the board and let you administer the whole cemetery.

I must say the boards that spoke to me about this have done a wonderful job for the cemeteries and they are very concerned. They say that they can do the work but are not able to administer the funds, which seems to belittle them to some extent.

I wonder, Mr. Minister, if something could be done. These cemetery boards have done a tremendous job and have even encouraged people to leave money in their wills to the cemetery, so this is why I am stressing that these boards are made up of very dedicated men. I think, Mr. Minister, they resent it and I would like to see if you could see fit to amend the Act or do something that could encourage these dedicated men to continue with their work. They think that if they can do the work gratis they're certainly capable of administering the funds.

I wonder if you have anything to say that might encourage them. I know that you likely weren't here when the Act was passed, but you're the minister now and you may have new ideas, different views. And I know quite well, Mr. Minister, that you know there is a problem among cemetery boards in certain parts of this province.

Mr. Breithaupt: Before the minister replies on that particular point, Mr. Chairman, I'm wondering if he could give us the rationale in this matter as to why the funds are required to be turned over rather than a proper audit performed, and also as to the reasons—presumably through some failures in some instances—that led to that particular decision have been made, and whether in fact some problems arose due to management or just due to boards and individuals disappearing and leaving the responsibility. If so, perhaps we could hear about that, and get the rationale behind the present policy.

Mr. Chairman: Mr. Minister, would you care to reply to that?

Hon. Mr. Clement: I couldn't remember the exact year but the superintendent of insurance, under whom the Cemeteries Act falls, handed me a copy, and he makes specific reference to it.

As a result of this problem which has been described by the member for Kent, a select committee of this House was set up many years ago, and it reported on Feb. 19, 1954. There seem to be only one or two of the present membership of this House who sat on that committee at that time. The chairman was Mr. James N. Allan. The only other name I recognize as a member of the House today is Mr. John Root.

The whole concern was security of the funds for perpetual care. I don't think that our ministry is concerned, or has any genuine reason to be concerned, about theft of those funds. I think it is a matter of concern for potential mismanagement of those funds. The legislation was introduced and became effective, as I understand it, as of 1955. Here we are 19 years later and it has been demonstrated, certainly to me, that many cemetery trustees, particularly in the rural areas, are

just finding out that this is the law, and they are somewhat annoyed. Perhaps this doesn't say much for—

Mr. Stokes: It hasn't been supported for 19 years. That's the thing.

Hon. Mr. Clement: It has been the law of the province for 19 years and many of these rural areas haven't been aware of it. There has been no reason for it to be drawn to our attention. The fact of the matter is that in many instances the moneys, I think, have been fairly well managed, if not well managed.

If there is no complaint, then everything is fine. What happens in some instances is there is a complaint. The grave of a loved one is not tended properly and you as the survivor make a complaint and find out that there is no money for the perpetual care fund—or insufficient money—and then decide that the government should do something about it. What's the matter? How come there isn't money?

Why isn't there money? It turns out that perhaps moneys have been invested in undertakings that really are not approved investments. This causes me concern because the Trustee Acts sets out what approved trustee investments are. If many of our good citizens haven't heard of this legislation in 19 years, I doubt if they will be very familiar with the terms of the Trustee Act.

As I say, the whole matter is one of concern for the security of the funds. They can take and put the perpetual care fund in the hands of the public trustee or in the hands of a corporate trustee, both of whom charge a fee. And this seems to be one of the facets of complaint that a fee is charged.

The people in most instances very sincerely feel that they shouldn't have to pay a fee because they would rather manage the fund themselves. It has been the branch's experience, so I am advised, that certain funds which have been turned over to corporate trustees for management have, in fact, earned far more than they did when they were in the hands of a few cemetery trustees, and the cemetery in itself has been the beneficiary of that improved income.

I don't know how to resolve it. I would be the last person to point the finger at people who have served on cemetery boards for a number of years, always without any remuneration, and who very often, in most instances, to my own knowledge and as you say, go out and actually cut the grass and do the physical chores around the cemetery. In most instances they are family people.

But what do we do? In view of the unanimous recommendations of the select committee in 1954 and of the legislation which came in in 1955, perhaps this is a good point to entertain alternatives. Perhaps the time has come for an alternative suggestion or suggestions as to how these matters could be handled. It's awfully easy to say perhaps bonding would do, because the cost of the bonds, I am sure, would probably outweigh any savings that the trustees would effect by doing their own investing, as opposed to having the corporate trustee or the public trustee invest.

In any event, I have an open mind on it and I am grateful to the member for Kent. I have had four or five members of this House come to me with this specific type of thing in the last two or three years. It isn't just a singular issue. It's a matter that I think is touched on perhaps in a dozen or so rural communities in this province.

Mr. Chairman: The member for York Centre.

Mr. Deacon: Mr. Chairman, I am very interested in the minister's comments and I am also very pleased that the minister in his usual way has indicated that he is prepared to listen to suggestions to eliminate this cause of concern that a lot of people have.

First of all, I think the general principle of the legislation, to begin with, to safeguard the perpetual care funds, was very wise indeed. In fact, we found the province was quite littered with cemeteries which had been abandoned and left without proper funds to maintain them. I am sure that the people to whom my hon. colleague from Kent refers are people who actually have been maintaining excellent care of the cemeteries for which they are responsible.

I would also like to commend the branch for the work they have done, because I think they have used a great deal of tact in not pushing and imposing themselves rapidly. Maybe they should have been pushing harder at the literal interpretation of the Act, as the hon. member for Thunder Bay suggests they should be doing. I think they have used considerable discretion and tact. That's been my experience.

I also feel that in many cases these people who are responsible have shown far better judgement in the management of their funds than the professionals have. I know that on

the whole the performance of professionals hasn't been too bad, but if you watch the way the markets have performed in recent years, you will find that the fluctuations are much more extreme than they formerly were and you will also find that possibly this is due to the fact there is a much greater concentration of management of moneys in the markets than there formerly was, and the people who are these professional managers act as sheep. When you have a concentration of control it can be very, very dangerous in the economy.

I am pleased at the minister's suggestion that we might look to other means whereby we can leave the control in the hands of these people under certain circumstances. They would have to pass a little trustees' course, for example, as to what a trustee investment is and what is a legal investment for life insurance investments, so we actually know they know what they are talking about. Maybe there are means whereby we could amend that Act, and I think the hon. member and I are among those who will probably be submitting some suggestions to the minister.

I do want though to express my support for the manner in which the Act has been administered in the past. I think we will do our best to be sure that we don't offend and actually remove the potential benefits from administration of these funds by some of the local people.

Mr. Chairman: The hon. member for Thunder Bay.

Mr. Stokes: Yes. I want to speak very briefly on this, Mr. Chairman. I was one of the members who had this brought to my attention, although I didn't go to the minister with it. I went to someone in the cemeteries branch—a chap by the name of Mr. Francis? No, Mr. Francis was the man who was going around the province, and I spoke to his boss—I couldn't get Mr. Francis. I got somebody in charge of the cemeteries branch down here.

I wasn't being smart-alecky when I said it hadn't been administered for 19 years, because I can say quite truthfully that some of the small cemetery boards in my riding had no knowledge of any Act at all; they didn't even know there was a Cemeteries Act in existence. So, when someone came knocking on their doors suggesting that they were going to relieve them of some of their money, they phoned me immediately to see if this guy was legit.

You know, they thought he was some con artist going around the province. So I said: "Well, did you ask him for his card?" They said. "Oh, yes, he had an official-looking card, all right." I said: "Well, what was his name?" Then I looked it up in the directory and I found out that he was legitimate, but I wanted to find out the rationale behind it.

I find out that it hadn't been administered too well, or at best the communications hadn't been too effective when you get cemetery boards that have been in existence for 35 years and some of those people have been on there almost that long and had never even heard of the legislation. So, I think it's a breakdown in communications.

I am sure that your Mr. Francis, who was coming back to have a meeting with them, alleviated a lot of the initial fears that they had about turning a certain percentage of their funds over to the public trustee to be held in trust for the very good reasons that you explained.

I think a lot of the problem is that it hadn't been explained properly. When you have people who have been sitting on boards for 19 years without even knowing that the Act was in force—but not enforced—it is a clear indication that there was a breakdown in communications and you weren't too serious about enforcing your own legislation.

I think a lot of these problems could be cleared up if you would notify these boards that there is legislation in existence and of the provisions of it and the rationale behind it.

Mr. Chairman: The hon. member for Windsor-Walkerville.

Mr. B. Newman: Mr. Chairman, I want to ask the minister if there is any attempt by the Americans to take over our cemeteries. I can recall discussing this with you about two years ago, and you made mention at that time that to the best of your knowledge the Americans were not getting into our cemeteries in Canada and purchasing them.

Do the same conditions still exist? The Americans are not going in and purchasing Ontario cemeteries, are they?

Hon. Mr. Clement: As far as I am aware, the situation has not changed since we had our discussion many months ago. I would think that subsequent changes in other legislation might well affect them and make it somewhat unattractive to them. I am thinking of changes in our Business Corporations Act

dealing with directors and requirements for the majority of the people on the board to be resident Canadian citizens. I am thinking of the expanded liabilities that have been imposed on the shoulders of directors.

I have just received a note from the director who says there is only one cemetery in Ontario now owned by US holdings, and that happens to be in your city of Windsor.

Mr. B. Newman: This was brought to my attention. I think it was a year or two ago when I discussed it with you and you mentioned to me that to the best of your knowledge at that time there was no such attempt. But seeing that they were in the city of Windsor I thought possibly they may have expanded their operations and gone a little farther inland.

May I ask you, Mr. Minister, if you are considering legislation to regulate pet cemeteries? You find this in the United States more and more. It is becoming quite common that people who have lost a pet, rather than disposing of it in the traditional fashion, decide that they would like to dispose of it in some pet cemetery. It is big business in some of the states.

There has been a request of me to find out if there is any legislation or any regulations that governed the establishment of one. Your ministry replied to me that all they would have to do is meet with the zoning conditions of the municipality and have the authority from the MOH. Now, are you considering anything or don't you think there is going to be any greater demand for this type of facility for pets that have passed away?

Interjections by hon. members.

Hon. Mr. Clement: I make an unqualified answer and I'm not considering that at all. I read with interest some weeks ago of a man, I think in the city of Montreal, who set himself up in business now as a pet undertaker. After reading that article I felt that I truly understood the meaning of a bowser bag. No, we're not considering anything on it right now.

Mr. B. Newman: You can look to the future, Mr. Minister, and see that you are going to have others set up in the Province of Ontario.

Mr. Minister, I received a communication concerning the Ontario Cemeteries Act, which allows non-profit cemeteries to sell funeral supplies such as wreaths, vaults, grave markers and monuments. Now, the party complained that these people have a big economic advantage over him in the fact that they do not have to pay any business tax, realty tax or income tax and that he, as a private businessman, has to pay all of these taxes whereas non-profit cemeteries can sell all of these ancillary pieces of equipment and wreaths, monuments and so forth and he has to pay tax on all of that.

Mr. Renwick: This is the sort of thing you would want a select committee on.

Hon. Mr. Clement: The Toronto Board of Trade I think it was, or the Metro Toronto Board of Trade, wrote to dealers asking them to communicate with their provincial and federal members regarding the preference that non-profit cemeteries had over the other kind in dealing with these things —bronze plaques, bronze markers, wreaths, memorials and so on. Quite recently, or sometime after that, as I understand it, a number of dealers sent out a letter advising the recipients not to communicate with their MPPs and MPs and that the matter would be resolved in due course.

I have had, I believe, three or four letters; no more than that. You've had two and I believe one of the other members spoke to me in the summertime about it, but other than that I have nothing further I can offer the House. That's the extent of my knowledge per the advice of my director.

Mr. Stokes: Mr. Chairman, I wonder if I might prevail upon the minister to introduce the gentleman who is sitting in front of him. You write to these people, you get wonderful co-operation from them and you see them sitting there and you don't know who they are.

Hon. Mr. Clement: No, it's a very good point. I'm sorry I took it for granted that everybody knew who was here. Sitting across from me is Mr. Gordon Grundy, the superintendent of insurance—

Mr. Stokes: Yes, he has been very helpful.

Hon. Mr. Clement: —and a man who is known to many members of the House. On my right I have my head accountant, Mr. Ted Johnston, from the ministry, and on my left is the deputy minister, Mr. Ken Young.

Mr. Chairman: Does item 3 carry? Item 4?

Mr. Renwick: No, item 3.

Mr. Chairman: Item 3?

Mr. Deacon: Mr. Chairman, I just want to say one thing about the comments I've heard

from the various people in the insurance industry and people who've had complaints about the insurance industry. They have made some very, very complimentary remarks about the trust and loan company branch. I think that it should be recorded that it's one of the few branches that relates to protection of consumers and their interests and I've yet to hear a complaint about them.

Mr. Chairman: Item 3?

Mr. Lawlor: Mr. Chairman, this is the superintendent of insurance vote; the automobile no-fault policies might be discussed, I trust?

Mr. Chairman: You mean on item 4?

Mr. Lawlor: No. I think that this is the vote and I want to make sure.

Mr. Renwick: Item 3.

Mr. Lawlor: Is it not correct that we should discuss no-fault at this particular point, if we're going to discuss it at all?

Hon. Mr. Clement: If it is discussable it would seem that it would come under item 3.

Mr. Lawlor: That's the major concession made this day by the minister! You've taken it to heart, Mr. Chairman, and we'll discuss it at this stage. The government has made, under the insobriety of this particular minister, the nudging moves towards no-fault policy, which, of course, is a particular field—

Mr. Stokes: He really knows how to hurt a guy, doesn't he?

Mr. Lawlor: —reserved for the New Democratic Party, and a power on which we find any infringement totally impermissible.

Mr. Breithaupt: That's insobriety, is it?

Mr. Lawlor: However, if you adopt our policies we will not cavil to any great extent. I trust that the minister is well aware of the proposals made by the Insurance Bureau of Canada. And of a fairly lengthy "Symposium on No-fault Insurance," published in the Law Society Gazette in March of this year, which outlines a seminar I attended at the Four Seasons Sheraton on Feb. 8 this year, in which certain proposals were made which won the howling retribution of the lawyers. I couldn't refrain from going to the microphone towards the end because this was the first occasion on which I'd ever been present in which the legal profession found itself wholly at odds with the insurance industry and its proposals.

Part of it was self-seeking, as usual, of course. Namely, that the insurance industry, in moving toward no-fault, in a very constrictive way, were going to wipe out general damages and the whole concepts of consequential damages—pain and suffering basically, but a whole host of other things; loss of consortium and loss of pleasure in life and all those things that are rolled together in the great snowball known as general damages. That was going to be eliminated and that was anathema to the boys in question.

On the other hand, apart from the self-serving aspects, their case was extremely well taken on point after point, particularly in the area of personal injury compensation. I'll give the more direct facts in a moment, but in a general way it came to this: While the insurance industry in this regard had been beating its breast for a generation, saying that this automobile insurance is a money-losing venture as a whole, the proposals were designed in this specific instance to make it a fabulously profitable one for them. Why they wanted to stay in at all always passes one's imagination, but having decided to stay, they stay with a vengeance.

In other words, they stay in in such a way that, on the premium dollar they'd probably have to pay out something like 27 cents at the very most—although extraction, even by the legal profession and even by those who have worked for them in close harmony for many generations, those who extract the information and the various computer printouts as to how they arrived at their findings and their premium dollar, would be totally bypassed; would totally frustrate the legal boys.

And if they are frustrated in this particular regard, then I think it passes all dreams of discovery, even, perhaps, by the minister of the Crown here. After all, your department, in this particular regard, are a fairly passive bunch, aren't they? They prepare a green paper by way of the submissions made to them by the industry themselves and, as I understand it, with very little investigation, they take the statistics as supplied and go from there in terms of compiling them and printing them.

But as far as an investigatory staff is concerned, or one which surmises or apprises the valuations made, that is not within your purview. And that fits in extremely well with your philosophy of earlier today of a basically hands-off policy, with respect to great structures of industry in the province, which is a purblind, reactionary stance and

which, if you're minister long enough, you might just be dissuaded from to a greater extent than what you presently are.

That would be a great enlightenment—it would be like the breaking through of sunshine. You then become living 1974, maybe even 1975, and that would then equip you to be a viable Treasurer for the Province of Ontario. As things presently stand, I have my renegings and severe reservations about John White, who is Nibelungenlied enough without having to be replaced by somebody who really believes in the system if it doesn't work and has some kind of mythic concept of what happened in 1850 as still extant in the world today.

I want you to take a look at what Linden says in this regard. He doesn't make any particularly incisive criticism of the bureau's stand, but he does give a series of recommendations as to what might be done, retaining the tort law concept and not going holus-bolus for a full and plenary no-fault policy which would take the matter completely out of the courts.

I don't understand the New Democratic Party's position to be that either. In other words, I understand our policy is to still leave a measure of tort liability and permit suits in courts in amounts that exceed the sums that are forthcoming under whatever the scheme may be, whether it is $20,000 or $5,000 for personal injury claims or whatever it may be in this regard.

Just take a look at Linden, and I think you'll give a good deal of credence to that fellow, despite the fact that he's a well-known Liberal who parades his colours like a peacock in the reservoirs over here at the university. You can't walk up to the man and discuss anything. The first thing he tells you is "I am a Liberal," and after that you don't know where to start.

He would eliminate the gross negligence requirement in the passenger. It took you generations to get to gross negligence. Maybe it will only take you three or four years to move to take out this gross thing called gross negligence and allow regular negligent risk as appraised by a jury and on a reasonable man and foreseeability test to operate in this particular area, as anywhere else. This is still a capitulation to the insurance companies of which we have accused you ad nauseam.

An hon. member: And justly, too.

Mr. Lawlor: We would abolish the defence of inevitable accident. You should move in on that particular area with your legislation. We will have a brand new Insurance Act very shortly. I take it that that will give complete coverage to this particular area of law, too—that is, the motor-vehicle claims section inside the Insurance Act. Am I correct in that understanding?

Hon. Mr. Clement: I said I believe that we would be introducing it over a period of years through section-by-section changes that would update it completely.

Mr. Lawlor: That's what you have been doing for the past 50 years.

Hon. Mr. Clement: Yes.

Mr. Lawlor: Section by section and then when you get them passed you never proclaim them.

Hon. Mr. Clement: It's kind of a perpetual sort of thing.

Mr. Lawlor: Well, it keeps whoever the minister is busy, apparently, in this House bringing in piecemeal legislation.

Hon. Mr. Clement: Yes.

Mr. Lawlor: And the very feeling of progress just emanates through this chamber.

Mr. Stokes: Like the Warble Fly Act.

Mr. Lawlor: All right. The Law Society of Upper Canada proposed and asked that this particular defence of inevitability be eliminated 10 years ago.

He is very much concerned that interspousal immunity should go—the husband and wife relationships with respect to driving a car and whose fault and all that. That is part of the great programme which is not so much your concern about the whole of family law and about the Attorney General's responsibilities in this particular regard. It's an area in which you would have some responsibility, and if you would whisper in his ear, he might get on with the job.

We would improve the way in which we assess damages. We must end the discrimination against women in the law of torts which require a driver who kills a wife and mother to pay far less a figure than one who kills a husband and a father. His statement is that any life that is lost in an automobile crash should be worth at least $25,000, and I am inclined to think that that would be fairly just.

He makes a host of other recommendations I would ask you to look into.

I'll take the last few minutes to point out how hollow—I'm not inclined to use the word fraudulent, although I just used it—but really threadbare the IBC recommendations are. The recommendations I am sure are before you. This is the powerful industry that has dictated all your thoughts or the thoughts of previous ministers. Therefore one must be circumspect and hit hard with respect to these proposals being invalid, not simply because they have been rejected holus-bolus by every element from the most roseate right to the most vermilion-hued left of the legal profession, but because of the public impact and what they are seeking to do.

What they achieve is, through OHIP and public pension schemes of all kinds, and through loss provisions with the Workmen's Compensation Board, the payment of virtually nothing, while deriving the full premium. They use the no-fault concept as a loophole or escape hatch to reward their whole position.

For instance, our present accident benefit plan covers medical and rehabilitation expenses incurred within a four-year period. Under the IBC there is no time limitation. This is an improvement, but would appear to be significant only in very rare cases. So it runs all through their proposals. The IBC proposal takes away OHIP's right of subrogation, which is its right to recover from a wrongdoer or his insurer for expenditures caused by his negligence.

The annual subrogation recovery of OHIP is approximately $8 million to $9 million. If there's no right for OHIP in the moneys that it has paid out to an injured motorist to recover that from the one who is at fault by way of subrogation, then in effect OHIP is subsidizing the insurance industry of Ontario to the extent of $9 million a year. And so it goes in the course of every proposal in this legislation.

So far does it go that some examples are given by a lawyer by the name of T. H. Rachlin. Here is one: A pedestrian, a teacher, struck by a drunk driver receives two fractured legs and a fractured left arm. He has several operations and is hospitalized for three months. He is able to return to work after five months; the proposals are that you have to be out for six.

He is left with continuing intermittent pain and a slight limp and he cannot fully straighten his left arm. There is no compensation under the Insurance Bureau proposals because there is no pain and suffering recognized. So he gets nothing under that head. He is right-handed. He has had much pain and suffering and lost many of the pleasures of life. Because his work is not physically demanding his ability to earn a livelihood is not affected. Their attitude is that unless he is permanently, seriously disabled and can't so much as lift a telephone, he doesn't receive a dime in benefits. While acknowledging his injuries are permanent his doctor says he will not be left with any serious symptoms, whatever "serious" means.

OHIP pays his hospital medical bills in full. The wage continuation plan available through his employer pays his salary in full during his time off work. He has contributed to the premiums of both OHIP and the wage continuation plan. He receives not one cent from the IBC no-fault benefit and his right to sue the drunk driver for compensation for his injuries is completely taken away. And that is just?

Mr. Chairman: Would this be a convenient time for the member to break off?

Mr. Lawlor: I adjourn the debate. Thank you, Mr. Chairman.

Hon. Mr. Winkler moves the committee rise and report.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report certain resolutions and asks for leave to sit again.

Report agreed to.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Mr. Speaker, before I move the adjournment of the House, as announced we will do the estimates of the policy minister for the resource field tomorrow and on Monday, again as announced, we will do the no-confidence motion in the name of the Leader of the Opposition (Mr. R. F. Nixon), and on Monday evening we will do the estimates of the policy minister for social development.

Hon. Mr. Winkler moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10:30 o'clock, p.m.

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No. 102



Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Ninth Legislature

Friday, October 25, 1974

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

THE QUEEN'S PRINTER
PARLIAMENT BUILDINGS, TORONTO
1974

10

Price per session, $10.00. Address, Clerk of the House, Parliament Bldgs., Toronto

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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, OCTOBER 25, 1974

The House met at 10 o'clock, a.m.

Prayers.

Mr. Speaker: Statements by the ministry. The Minister of Revenue.

REPORT ON LAND TAX ACTS

Hon. A. K. Meen (Minister of Revenue): Mr. Speaker, following passage of the Land Transfer Tax Act, 1974 and of the Land Speculation Tax Act, a number of professionally interested groups and individuals, either voluntarily or in response to requests from my ministry, presented letters and briefs to us concerning the implementation of these important new pieces of legislation. These many submissions have been invaluable in aiding my staff as we have worked to further refine the legislation.

Additionally, an ad hoc committee was formed under the chairmanship of Mr. Ronald Anson-Cartwright, a partner with Price, Waterhouse and Co., chartered accountants, to review general submissions to the minister and to recommend administrative procedures or regulations required to implement the Acts. The committee's report was presented to me on July 26, and because within its own proposals it deals with many of the suggestions contained in other submissions we received, I believe the ad hoc committee's report would be a valuable reference for members of this House. I will, therefore, table the report today for the members' perusal. Copies will be made available to all members.

Mr. J. A. Renwick (Riverdale): It is out of date. That was July 26. It would have been invaluable on July 26.

Mr. Speaker: The Minister of Agriculture and Food.

BEEF CALF LOAN PROGRAMME

Hon. W. A. Stewart (Minister of Agriculture and Food): Mr. Speaker, I wish to announce at this time the introduction of a new programme called the Ontario beef calf loan programme and certain amendments to existing programmes of the Ministry of Agriculture and Food which will help to alleviate some of the extreme financial pressures being experienced by the province's beef calf producers. Under the new programme, guaranteed bank loans will be provided to those producers of beef feeder calves who reside in the Province of Ontario. Loans may be used to pay operating expenses such as mortgage payments, taxes, rent, interest, and to purchase feed, seeds, fertilizers, pesticides, farm supplies and any other material used in beef cow-calf production.

The loans will be available from Dec. 1, 1974, to March 31, 1975, with the term of the loan being for three years and repayable at any time, but the payment of full principal and interest is required when the loan is due. Loans will be based on the number of calves produced by a farmer and in his ownership on or after Aug. 1, 1974, up to $75 per calf to a maximum of 100 calves. The current commercial lending rate plus one per cent will apply to the loans, this can fluctuate if the rate changes, but the farmer will not be required to assume any increase in interest rates that might occur over and above the interest rate prevailing at the time the loan is made.

I hope this guaranteed loan programme will encourage beef-calf producers to hold their calves over where possible. I also hope beef producers will retain their best breeding stock, but cull out—and I want to emphasize those words, Mr. Speaker—but cull out and dispose of any undesirable beef cows, replacing them with quality beef heifers. This loan programme should assist producers to meet obligations that could have been taken care of if beef feeder calf prices had been more in keeping with the cost of production.

We believe this programme will assist farmers to maintain and upgrade the Ontario beef cow herd during this period of depressed feeder calf prices, thereby reducing the possibility of a beef scarcity developing in the next few years.

In 1972 we introduced the Ontario beef heifer loan programme to make credit available for the purchase of female beef breed-

ing stocks. Certain amendments to that programme have been approved.

The present programme allows for a seven-year term with interest only during the first two years and principal plus interest over the remaining five years. Under the amended programme, the interest-only period will be extended up to three years instead of two and the term up to eight years instead of seven. This will allow those producers who are entering the third year of the programme to delay payment of the principal for another year. After that period, I sincerely hope the producer may then be in a better financial position to honour his commitments.

In addition, Mr. Speaker, I would inform the House that in view of the extreme shortages of hay and grain experienced as a result of unfavourable weather conditions in the Kenora, Rainy River and Dryden areas, the government of Ontario will be making funds available to the local agricultural committee to assist in transportation costs. This will allow the committee to locate adequate sources of hay and if hay is not available, hay equivalents in the form of grains, to meet the demands of livestock producers in the districts named. This, I might add, Mr. Speaker, is essentially the same programme as applied in the Thunder Bay district last year where similar problems affected livestock producers and which helped a great deal. I would like our friends in the north to know that we are looking after their interests.

Through the programmes I have just outlined I feel confident that farmers of this province will now have a more solid footing from which to make production decisions to ultimately assure Ontario consumers of an adequate supply of beef in the future.

Mr. Speaker: Any further statements by the ministry?

Hon. A. Grossman (Provincial Secretary for Resources Development): Mr. Speaker, I presume this is the appropriate time to introduce a group in the gallery. I would like to draw the attention of the hon. members to a group in the west gallery; they are new Canadians who are taking a special course at Brant Public School under the able leadership of Mrs. M. Weinstock. I have, Mr. Speaker, from time to time introduced groups which I call "new Canadian groups"; really there is no other way to describe them. But I would like to point out that this is especially important work which is being done for new Canadians who are from all over the world, literally, and I am sure the hon. members would like to greet them.

Mr. Speaker: The member for Yorkview.

Mr. F. Young (Yorkview): Mr. Speaker, I would like to welcome to this House, and have the House join with me in welcoming a group of about 110 students from the C. W. Jefferys Secondary School in Yorkview, under the guidance of Mrs. Hamilton and Mr. Thom. Let us welcome them and hope they have a good visit here today.

Mr. Speaker: Oral questions.

BEEF CALF LOAN PROGRAMME

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, I would like to ask the Minister of Agriculture and Food if he is aware that one of the problems that the beef producers of the type who are to be served by the programme announced this morning will continue to have is simply an income problem. And is he prepared to reject the proposals then put forward by the Federation of Agriculture for a programme which would at least come to grips in some measure with the fact that cow-calf producers, if they don't have any other farm production for a basis of income, are going to be left high and dry? Those loans are simply not going to enable them to continue their operations.

Hon. Mr. Stewart: Mr. Speaker, the hon. Leader of the Opposition has certainly raised a valid point, and I recognize the problem with those people who depend entirely on beef cattle production. I would say, however, that generally speaking throughout the province most of the beef calves produced in Ontario are produced by people who have other sources of income. They may not be great, but many of them have off-farm sources of income; they may have cash crops and use the rough land pasture that may be available to them to run a herd of beef cows, to produce beef calves, in some cases pasturing their cows over the winter on cornstalks that may be left as refuse from the cash crop of corn.

Now, this doesn't pertain in every case. However, we think that this type of programme will in some cases assist them to hold their calves over for another year, to grass them, and let them come back on the market next fall. In some cases, where the calves have already been sold and the debts have to be paid for this year's production expenses, this will help them to meet those commit-

ments, where they may not be able to get the money in any other way.

I would add, however, as I said yesterday, that there would seem to be considerable merit in the presentation made by the Federation of Agriculture. On the other hand, I think all of us, and certainly the beef producers of Ontario, recognize that certain adjustments have to be made. We felt that it wasn't in the long-term best interest of consumers of beef or the total beef industry in this province, to do away with 20 per cent of the beef-cow herd in the Province of Ontario, as was proposed by the federation. Even though they suggested that those cows be replaced with heifer calves, there was no assurance whatever that those heifer calves would be retained for beef-calf production in the future.

Mr. Speaker, we have to recognize that over the years we have been bringing into the Province of Ontario approximately 400,000 head of feeder calves from western Canada on almost an annual basis, and it was with the thought in mind that we might be able to become a little more self-supporting—certainly not totally self-supporting, but a little more so—that we introduced the beef-heifer loan programme. That programme, I think, has contributed something to the increase of the beef-cow herd in Ontario—I'm sure it has.

There are many others who have gone out on their own to expand the beef-cow herd in this province. And, unfortunately, with the trend in world economics and particularly—and I associate this without any fear of contradiction—the trend towards spending money for energy in many areas rather than on buying beef, has slowed up the use of beef in many countries; This has generated, to a very marked degree, the world surplus of beef which now appears. It virtually appeared out of nowhere, but it appeared simultaneously with the energy problem.

So, I simply suggest that there is that period of adjustment we are going to go through; and I don't think that we can be all things to all people. But I do feel that the programme we have introduced this morning is a responsible one and is responsive to a need that we all recognize does exist.

Mr. R. F. Nixon: Supplementary, Mr. Speaker: With a world surplus in beef, and the fact that the prices here are still at $1.79 to $1.89 per pound for red brand beef, would the minister not consider it a part of his function to stimulate these markets, which he is attempting to assist in this loan programme, by making the lower grades of beef available on a more readily marketable basis? Anybody who is looking for a lower grade of beef finds it difficult to obtain. Most stores simply carry the red brand products.

In an effort to make consumption of those grades more readily available to those who feel that $1.89 is a price that they are not prepared to pay, is there anything that this ministry, through the food council, can do in that regard?

Hon. Mr. Stewart: Mr. Speaker, the hon. member has suggested the going price of the top quality beef over the counter. As I mentioned yesterday, and as I am sure he fully realizes, the price of the top quality fed cattle —that is, slaughtered cattle—has not really depreciated that much.

The problem is with the young calves that have to be grown out; and because of the high cost of grain, the farmers are simply not able to pay the prices they would like to be able to pay for those feeder cattle.

The price of some of the lower grades of beef has indeed come down, and I'm referring to stewing beef and to hamburg. It has come down substantially from last year's prices, by a substantial margin—I don't have the figures at my fingertips, but if memory serves me correctly, about 50 cents a pound. In fact, I think in some cases there has been a drop greater than 50 cents a pound from this time last year.

This, of course, reflects the increased input of the feeder calves that are going directly to slaughter. The slaughter of these feeder calves, between 400 and 550 lb, has already increased by 20,000 head this year over last year in the United States.

There is a substantial increase here in Ontario and in Canada. There is certainly a substantial increase in beef cow kill in the United States, but it hasn't really been reflected here in Canada yet. There are also substantial quantities of processing beef coming in from Australia and New Zealand. This is being reflected in a much lower cost for those grades of beef in most of the food markets.

MEAT PLANT INSPECTION

Mr. R. F. Nixon: This could be a new question of the Minister of Agriculture and Food. Has he assured himself that provincial inspection, particularly having to do with ground beef, is at the level that is certainly expected? Or is there a possibility that some of the ground beef we have been hearing about, at least in reports from the House of

Commons, where federal inspection has been less than perfect in that regard—have we any responsibility in this? A good deal of this product comes directly under provincial inspection.

Hon. Mr. Stewart: Yes, Mr. Speaker, we have. We have taken steps as late as a year ago to assure that in any plant where processing of ground beef took place that adequate health precautions and cleanliness were observed. We instructed our inspectors as late as a year ago to take the proper steps necessary to see that adequate sanitary protection was provided.

Mr. S. Lewis (Scarborough West): A supplementary, if I may.

Mr. Speaker: Supplementary; the hon. member for Scarborough West.

Mr. Lewis: How many inspectors do we have in Ontario directly involved in the inspection of meat for the purposes of health and safety, or bacteria count or whatever, doing that specific job? The revelation that there are only 10 actually involved in meat with the federal government prompts one to ask that question of Ontario.

Hon. Mr. Stewart: Mr. Speaker, I can't give the hon. member the exact figure on that. We have a sizable number of meat inspectors throughout the province providing provincial meat inspection in the slaughter plants. Some of those plants process meat; that's hamburg or cooked meat products where the product is cooked there. Not all of the plants do that by any means. Most of them simply slaughter the beef and then sell it direct to consumers or to butcher shops which then sell it to the retail trade.

I can't give that answer at the moment. I just don't have the figure.

Mr. Lewis: The minister can get it though, I take it?

Hon. Mr. Stewart: Yes.

Mr. B. Newman (Windsor-Walkerville): Supplementary.

Mr. Speaker: The member for Windsor-Walkerville.

Mr. B. Newman: In light of the fact that the State of Oregon does have bacterial count standards and that the State of Ohio has coliform standards, and also that the city of Edmonton has bacterial count standards, is the ministry considering legislation that would require bacterial count standards for fresh and ground beef?

Hon. Mr. Stewart: Mr. Speaker, I see the wisdom of having those standards established and we would certainly support the establishment of standards, but we frankly feel that because of the federal involvement in federally inspected slaughter plants and processing plants, and the involvement of provincial inspection as well, the standards should be established at federal level and then those would apply uniformly. Our jurisdiction would have no authority in plants where federal inspection takes place, but I think that if there was a standard established—and I understand from newspaper reports that this is being considered—then we would support that position.

Mr. Lewis: Supplementary, if I may: By what standards then do the provincial inspectors judge? To what extent do they concern themselves with bacteria counts and with the measurement of potential health hazards in their inspection?

Hon. Mr. Stewart: Mr. Speaker, it is not done on the basis of actual bacteria count. It's done on the basis of making sure that the plant and the equipment and the procedure used is satisfactory and appropriate, so that the unfortunate instances that we have all become aware of recently simply do not occur, and I have reasonable assurance that this certainly is the case.

Mr. Speaker: Does the hon. Leader of the Opposition have further questions?

RELEASE OF GERALD HUBBARD

Mr. R. F. Nixon: I would like to ask the Minister of Correctional Services if he has any jurisdiction over the facilities at Penetanguishene and the prison patients who are sent there by the courts?

Hon. R. T. Potter (Minister of Correctional Services): No, I don't, Mr. Speaker. That comes under the Ministry of Health.

Mr. R. F. Nixon: In the absence of the Minister of Health (Mr. Miller), and also the Attorney General (Mr. Welch), I wonder if he might see that the House is provided with information next week having to do with the procedures which enabled Gerald Hubbard to be released from Penetang on Sept. 5, 1973? Mr. Hubbard took up residence in Brantford, committed a murder on Jan. 5, 1974, has been tried and convicted for that murder and there is every indication that the supervision under his loose warrant, as it is called, was inadequate in this regard. I ask the question only because of the continued

absence of the ministers who would be directly responsible.

Hon. Mr. Potter: Mr. Speaker, I will bring this to the attention of the Attorney General and have him check it out for the hon. member.

Mr. Speaker: Any further questions?

BREAKDOWN AT PICKERING HYDRO STATION

Mr. R. F. Nixon: Yes, I would like to ask the Minister of Energy if he can report to the House the situation at Pickering which we have been reading about recently, involving a breakdown to some extent in the system, which has reduced the level of energy being produced there. Can he give us some indication of what the timetable will be for the correction of this and what the additional cost in the provision of fossil fuel is while the breakdown is keeping the flow of energy reduced?

Hon. W. D. McKeough (Minister of Energy): On the specific question the Leader of the Opposition has asked, Mr. Speaker, I can't answer as to what the timetable is. The testing is still going on. It's only in one unit, of course, and the one unit was down for repairs. I think in any case that Hydro's investigations to date, interestingly enough, have concluded that the problem, which is a mechanical or an engineering problem and not in any way a safety problem, is caused when that unit is not running. I suppose the answer is to keep them running, but obviously they have to be down at certain times.

Mr. R. F. Nixon: Do they break down when they are not running?

Hon. Mr. McKeough: The defect resulted from the fact that the unit was too cold and not running. It didn't happen when it was running. There were the original three tubes and I think they have discovered seven more. The testing will continue until Hydro is certain that all the leaking pressure tubes have been identified and replaced before starting up the reactor again. I can't give the Leader of the Opposition the timetable on that.

In terms of the cost which the member asked about, it is about $3,000 an hour in replacement fuel for fossil fuel, if fossil fuel is being used, and that depends on the time of the day or the day of the year. Of course, the other three units are working and they, theoretically, are saving the $3,000 in fossil fuel.

Mr. R. F. Nixon: A supplementary: What's going to happen when they shut them down for their regular inspection? Are their tubes going to crack?

Hon. Mr. McKeough: I think that's the conclusion that Hydro has come to. They will be closed down and the same procedure will be gone through. It is a mechanical thing. Any generating unit of any kind, shape or description periodically has maintenance problems. I thing that's how this is best described. They're in a learning process as to what caused this.

Mr. Lewis: Certainly that is the most reassuring description.

Mr. R. F. Nixon: Since the minister is here and before he goes up to the Arctic, perhaps he would also give us a report on the situation at Nanticoke. Is it possible that those other generators there are going to have the very far-reaching difficulties that were experienced when they had the fire down there some months ago?

Hon. Mr. McKeough: I don't think so. I'm sorry, I'm not up on it. I'll get that information for the hon. member, but I don't think so. I think the investigation to date there indicates that it was a problem with one unit which will not necessarily be a problem in the other units. That's a Howden unit and the people are out from the UK testing it, and so on. I don't think we have any final answer on it as yet.

I am not going to the Arctic. As a matter of fact, I'm going up to the riding of Brant today.

Mr. R. F. Nixon: Brantford.

Mr. Speaker: Supplementary, the hon. member for Welland South.

Hon. Mr. Grossman: Wait until the Leader of the Opposition's constituents hear that he referred to it as the Arctic.

Mr. R. Haggerty (Welland South): Is there any production at all of energy coming out of the Nanticoke plant now?

Hon. Mr. McKeough: No.

Mr. Haggerty: Is it completely shut down?

Hon. Mr. McKeough: It's completely shut down.

Mr. Haggerty: Then where is Hydro purchasing the energy from?

Hon. Mr. McKeough: Other than on an intermittent basis, we are not purchasing any

energy. Everything else—the three units at Pickering—are working well. The Clarke Keith unit in Windsor, which is a very small unit, has been used probably more than it normally would have been. Basically, because of the reserve margin at this moment in time, we have not found it necessary to purchase any power. As a matter of fact, in the last report I had we are still in a position to be exporting at a very nice profit a considerable amount of power to the United States. This would indicate that at this moment—I'll answer the question before the member asks it—perhaps we're somewhat overbuilt. Six months from now we won't be.

Mr. Speaker: Does the hon. Leader of the Opposition have further questions?

Mr. R. F. Nixon: No.

Mr. Speaker: The hon. member for Scarborough West.

REVERSAL OF INQUIRY OFFICER'S REPORT IN CHATHAM AREA

Mr. Lewis: I have a question first, Mr. Speaker, of the Minister of the Environment to satisfy my curiosity to know where to proceed after this question period. Is the legal controversy in which we discovered the minister is engaged, with the farmers in the Chatham area, such that it is sub judice and he is not able to speak on it in committee, or will he, in fact, be able to discuss his reversal of the inquiry officer's report?

Hon. W. Newman (Minister of the Environment): Mr. Speaker, I have talked to my legal people this morning. As I said to the member last night, I would be glad to talk to him about it, but they have advised me that because it's coming before the courts and notice has been given, I should really not be discussing it at this point in time. It would be illegal or wrong for me to do it and they advise that I do not do this.

Mr. Renwick: It actually wouldn't be wrong for the minister to do that.

Hon. W. Newman: In this particular case, I have to go by the legal advice that I get.

Mr. Renwick: Ask any lawyer and he'll give the minister that answer. The minister knows, as well as I do, that in this Legislature that is—

Mr. Speaker: Order, please. Any further questions?

Mr. Lewis: By way of supplementary—and we can presumably come back to this in committee, but I just want to get it in here—does the minister mean, as a minister of the Crown who did the unprecedented thing of reversing an inquiry officer's report in toto, he is not now entitled in the Legislature to discuss the reasons for his reversal with members of this House simply because somebody is challenging that reversal?

Hon. W. Newman: Well, the legal people tell me that since there has been an action brought to set aside, I should not be discussing the case because it would be coming before the courts.

Mr. Renwick: They are not members of the assembly and they don't understand the authority of this House.

Mr. P. D. Lawlor (Lakeshore): And the courts can't look at the records of this House.

Hon. W. Newman: Well, I have to take the legal advice that is given to me

Mr. Speaker: Any further questions?

Mr. Lewis: Mr. Speaker, on a point of privilege, I am going to raise it in the committee anyway when we get there, but I would ask you, sir, to look into this matter to see whether the rights of the members of the Legislature are not being infringed upon by the effective silencing of the minister with legal authority which I think is utter nonsense. I would appreciate your looking at this because it is a very important matter.

Mr. Speaker: I assure the hon. member that I will pursue it.

Mr. Lewis: Thank you, sir.

RE-EMPLOYMENT OF DISABLED MINERS

Mr. Lewis: I have a question of the Minister of Labour. Subsequent to the discussions about Elliott Lake and the hazards to the miners and the levels of compensation benefits, has his ministry engaged in any discussion with the Workmen's Compensation Board about the miners who are now on pension with a heavy silicotic disability level, what will happen to them now and in the future?

Hon. J. P. MacBeth (Minister of Labour): Not my ministry, Mr. Speaker. I have had some discussions with the chairman of the Workmen's Compensation Board and those discussions are continuing. But my ministry as

such has not had any discussions with them that I know of.

Mr. Lewis: All right. By way of supplementary, is the minister aware that medical authority via the board is being given in Elliot Lake to return miners, in this case a man with a 35 per cent silicotic disability, to an area of the mine with significant dust exposure? Can the minister possibly explain to me how these things can continue to occur when there is obvious public awareness that to return a person to that kind of condition is to reduce his life expectancy?

Hon. Mr. MacBeth: Mr. Speaker, I don't know that that is going on. I would hope it would not be going on if there is any medical risk.

Mr. Lewis: It is going on.

Hon. Mr. MacBeth: I know at points they decide that these people are fit to return to some sort of duty, and I hope that that decision is based on sound medical evidence. If the member has any particular cases he would like me to investigate, I will be glad to do so.

Mr. Lewis: By way of supplementary, does the minister think that anyone on a permanent disability pension, for something like 35 per cent silicotic disability, should ever return to any area of the mine where dust exposure occurs? Can the minister find any medical opinion where that would be justified?

Hon. Mr. MacBeth: It seems to me, Mr. Speaker, that that would be a medical opinion. As a layman, my off-the-cuff opinion probably would be the same as that of the hon. member. It doesn't make sense.

Mr. Lewis: The problem is the doctors should work in the mines for a while.

Mr. I. Deans (Wentworth): That is the difficulty. Those doctors should find out what it is like to work in these places.

Hon. Mr. MacBeth: But medically I have no idea whether that is reasonable or not, but I will certainly be glad to get some more particular information.

EAGLE MACHINE CO. LTD. BANKRUPTCY

Mr. Lewis: A further question of the Minister of Labour.

Has it been brought to the attention of the minister that on Thursday, Oct. 17, at 4:15 p.m., Eagle Machine Co Ltd in London closed down on a voluntary bankruptcy affecting 75 employees, 60 of whom have been told that they will not receive back pay, severance payments or vacation pay under the Employment Standards Act until all of the other creditors have been served?

Is there any way of intervention for his ministry to assure, for a change in Ontario, that the workers have an entitlement prior to that of the banks?

Hon. Mr. MacBeth: Mr. Speaker, I think it has been determined that vacation pay is regarded as trust pay and that it has priority as such. The rest of it, I am afraid, is under the bankruptcy law. We are doing everything that we can to have the federal government give priority to wages. We are of the opinion —and I think with very good reason—that the old tradition is wrong that the Crown, whether federal or provincial, should take priority in bankruptcy to that of the worker who has earned his money. We think that is wrong. We want the federal government to change it.

I have no knowledge of this particular case but, apart from vacation pay, I would think that they would have to rank as the bankruptcy law currently ranks them, after the preferred and secured creditors.

Mr. Lewis: The injustice is so constant. Is there nothing that the province can do by way of legislative activity which would dictate that the workers who have earned their wages have first call on the closing of a plant? Is there no precedence that could be established in Ontario?

Hon. Mr. MacBeth: I don't think there is any precedence in Ontario, but I understand, Mr. Speaker, that they have passed this in British Columbia—and so far it hasn't been challenged.

Mr. Lewis: So why not here?

Hon. Mr. MacBeth: The constitutionality of it is rather doubtful, but I don't think there have been any test cases in British Columbia. It may be worth a try. I would rather see the federal government change their law.

Mr. Lewis: Well, this government should try first, and we'll wait for them.

DAYCARE SERVICES

Mr. Lewis: May I ask the Minister of Community and Social Services—because I'm still vague about all of this—if the advisory council on day care which he appointed,

met to discuss the regulations set out by the Provincial Secretary for Social Development (Mrs. Birch) on June 4—have they actually discussed the regulations as they relate to ratios and to staff qualifications?

Hon. R. Brunelle (Minister of Community and Social Services): Mr. Speaker, the hon. member probably saw the terms of reference of the advisory committee, and the terms of reference are very broad; this whole aspect is being looked into. We have a very important advisory committee, geographically comprised of various organizations—

Mr. J. F. Foulds (Port Arthur): Just answer the question.

Hon. Mr. Brunelle: —and this is one of the matters where they are looking at the whole spectrum. Our objective is to provide as much daycare service in this province as possible and, at the same time, to keep a high standard. We have a good reputation, a very enviable reputation, and we are building upon it.

Mr. T. P. Reid (Rainy River): Probably the best in the world.

Hon. Mr. Brunelle: Just to give you an example—and I don't know if the member is aware of this—so far we've received over 200 applications under our new programme.

Mr. Lewis: I am sure the minister did.

Hon. Mr. Brunelle: We've approved more than 20 so far, in municipalities, Indian bands, associations. We have a tremendous interest in day care.

Mr. Lewis: Right. I would appreciate an answer to the question.

Mr. Renwick: Yes, very comprehensive.

Mr. Lewis: All right, I'll put it again.

No. 1, has the advisory committee which the minister appointed yet discussed the controversial aspects of the regulations set out by the Provincial Secretary for Social Development?

No. 2, will they get a chance to discuss those regulations before they are gazetted and become law in Ontario?

Hon. Mr. Brunelle: I told the advisory committee that I appointed them to look into the whole aspect of day care, everything.

Mr. Lewis: Why not answer the question?

Hon. Mr. Brunelle: This includes fire regulations, everything.

Mr. Lewis: Oh come on. The minister knows which regulations.

Hon. Mr. Brunelle: Listen to me. They have the authority to look into everything concerning daycare regulations. I don't know how one can be more specific.

Mr. R. F. Nixon: A supplementary, Mr. Speaker: The concern of the community in day care is not with the fire regulations, which seem to be of fairly high standard, and the provision of other services—which seem to be, as the minister pointed out, as good or better than anywhere in the world—but the concern is with the policy to reduce the quality of the day care itself.

In light of the fact that many people in this area think that the minister is not totally in support of his colleague's statement, shouldn't the minister make a clear statement with regard to the putting of these specific areas of concern before his advisory committee, rather than trying to put a cloud over the whole thing by discussing fire regulations?

Hon. Mr. Brunelle: The really contentious area is staff ratio. There are some parents who will bring their children at 7 o'clock in the morning and pick them up at 6 o'clock at night. There are others who will bring them in for two hours; others for half a day. So this whole spectrum is one which needs clarification; and this is one of the purposes of the advisory committee, to give us guidance—

Mr. Foulds: Have they met about it?

Mr. Renwick: Mr. Speaker, by way of supplementary question, let me try once more to get what we want from the minister. Will the minister give an undertaking to the House that the regulations will not be filed and gazetted until such time as the advisory committee has made a report on the draft regulations and that report has been made available to members of this assembly?

Mr. Lewis: Exactly; perfect.

Hon. Mr. Brunelle: Again, I would like to repeat, Mr. Speaker, that the advisory committee has the authority to look into the regulations concerning all aspects.

Mr. Lewis: No, they haven't. The minister has been stalling the advisory committee.

Mr. Speaker: Order. Are there any further questions?

Mr. Lewis: Has Margaret Birch come to a meeting of the advisory committee to discuss

the regulations which the minister promulgated?

Mr. Speaker: Order please.

Mr. Lewis: I have a new question, Mr. Speaker.

Mr. Speaker: I want to remind the hon. member that he should refer to the minister by her title and not her name.

Mr. Foulds: That would be unparliamentary, Mr. Speaker.

Mr. Lewis: Has the Provincial Secretary for Social Development met specifically with the advisory committee to discuss the controversial regulations of June 4? Why is the minister barring the advisory committee from presenting a report to this House before you put those regulations into effect? Why are you bulling those regulations through in Ontario before the right of your own committee to pronounce on them?

Hon. Mr. Brunelle: We are not bulling any regulations.

Mr. Lewis: You certainly are.

Hon. Mr. Brunelle: I have met with the advisory council. I don't know whether my colleague has or not.

Mr. Lewis: Why don't you know? It is your advisory committee.

Hon. Mr. Brunelle: Are you aware of all that your colleagues are doing?

Hon. Mr. Grossman: Does the member know where the member for High Park (Mr. Shulman) is today?

Mr. Lewis: He is at the commodity market.

LAND-USE DEVELOPMENT PLAN

Mr. Lewis: I have one last question of the Minister of Agriculture and Food. What has come of your land-use development plan for Ontario, discussed and articulated at La Scala at lunch with John White and several businessmen?

Hon. Mr. Stewart: Those matters are still under very active consideration, Mr. Speaker.

Mr. Lewis: At dinner, no doubt.

Hon. Mr. Grossman: I didn't think the NDP frequented such posh places.

Mr. Speaker: The hon. member for Rainy River.

PROVINCIAL JAIL AT FORT FRANCES

Mr. Reid: Mr. Speaker, I have a question of the Minister of Correctional Services. May I ask the minister if his ministry has chosen a location for a new provincial jail in the Fort Frances area? If so, when can we expect construction to begin and completion to take place?

Hon. Mr. Potter: Mr. Speaker, there hasn't been any decision made on that at the present time. When the time comes I'll certainly advise the hon. member.

Mr. Speaker: Any further questions? The member for York Centre.

MOTHERS ON FAMILY BENEFITS

Mr. D. M. Deacon (York Centre): I have a question of the Minister of Community and Social Services. What is the minister's attitude toward the wishes of mothers who are on family benefits and who have dependent families to improve the incentives and the opportunities for them to add to their earnings by outside employment? What is the attitude toward the question of providing them with the same benefits and same support that foster parents are given for the care of children? Has the minister given consideration particularly to the first aspect, that of not leaving these people in what is an effective 75 per cent income tax bracket?

Hon. Mr. Brunelle: We certainly have, Mr. Speaker. I think the hon. member is aware that prior to Oct. 1 a mother was only allowed to earn $24, plus $12 for each child. As of Oct. 1, a mother is allowed, if she is a single person, to earn $50 without any deductions, and if she has children she can earn up to $100.

Just as a hypothetical example, a mother with three children would get from family benefits about $350 a month—I could be out a few dollars. She can earn an additional $100 through part-time work which, without any deductions, would bring her total income to $450. Of course, as the hon. member is aware, she is also entitled to free OHIP premiums, drug assistance and so forth.

Mr. Lewis: Oh, it is fantastically generous.

Hon. Mr. Brunelle: Well, it is.

Mr. Lewis: It is amazing.

Hon. Mr. Brunelle: Those people opposite have all the easy solutions.

Mr. Lewis: That is why the mother-led union is on the march.

Hon. Mr. Brunelle: This is one of the most generous earning ceiling exemptions in Canada.

Mr. Lewis: Oh yes, it is really beneficial.

Hon. Mr. Brunelle: Now, what the NDP doesn't understand is this: There are many people in this province, the so-called low-wage earners, the working poor—

Mr. Lewis: So-called, right.

Hon. Mr. Brunelle: —and if the exemptions are raised too high then it will be a disincentive for people to work.

Mr. Lewis: Oh, yes. The minister wouldn't want to make welfare too high; he wants to keep people in dependency to maintain the class difference.

Mr. Renwick: He has to get those low-paying jobs performed, doesn't he?

Mr. Speaker: Order, please.

Hon. Mr. Brunelle: Now the member's second question.

Mr. Lewis: Next the minister will be advocating birth control for low/middle-income families.

Mr. Speaker: Order, please. The hon. minister has the floor.

Hon. Mr. Brunelle: He must have had a bad night, Mr. Speaker. The second question.

Mr. Lewis: Bad night? We have spent a week here.

Mr. Renwick: We have been through this argument too many times.

Hon. Mr. Brunelle: We do not believe it would be advisable to give the mothers on family benefits the same income as foster parents have. Foster parents receive somewhere around—it depends, I think it is $75 for the first child. Therefore we do not believe that this is advisable.

Mr. Lewis: Too much opportunity.

Mr. Renwick: Make them struggle.

Hon. Mr. Brunelle: As the provincial Treasurer mentioned, the highest priority was the elderly and those who are blind and physically disabled.

Mr. Lewis: The children are different. They are made differently; their needs are different. So why give them more money?

Hon. Mr. Grossman: They are not made differently.

Mr. Renwick: I think the minister has the same attitude as that fellow in England that belongs to his party—Sir Keith Joseph or whatever his name is.

Hon. Mr. Brunelle: We are aware that families with children today are having a very difficult time in view of inflation. As you know, Mr. Speaker, we have increased our assistance as of Oct. 1. The assistance in the past year to those on social assistance has been an average of about 30 per cent. But the whole area of more assistance to families with children is under very active consideration.

Mr. Deacon: Supplementary: Would the minister not agree that instead of increasing these amounts that they can earn without paying any tax, as in the form he is doing, he should actually have reduced the effective rate of tax applying to these people? For example, I would think there are very few people in this province would understand that at an income level of say $6,500 these people would be facing a 75 per cent rate of tax on all income over the $5,400 level, which is what he is now saying; a 75 per cent rate of income tax.

Mr. Speaker: Order please. Has the member introduced the question yet?

Mr. Deacon: I was asking the minister to consider changing the level of tax.

Mr. Renwick: Question?

Mr. Deacon: Okay. I'm sorry I'm not being technical enough to satisfy the member for Riverdale.

Mr. Renwick: I just want a question, that's all. It is question period.

Mr. Deacon: Will the minister consider reducing the effective rate of tax from 75 per cent to one that is more in keeping with the rate of tax that ordinary folk who are not in need of this kind of support have to pay? Will the minister consider changing the level so that at $5,400 the effective rate of tax is down around the 25 or 30 per cent level?

Hon. Mr. Brunelle: Mr. Speaker, we certainly have an open mind on this and it's a subject that we will be discussing next month.

It's a subject that the federal government and the provinces are very interested in.

As the hon. members know, there is an income security review that has been going on for some time. It's a subject that there is no easy answer to, but it is certainly one that we are willing to receive suggestions on and are trying to provide as much assistance as possible.

Mr. Speaker: The member for Riverdale.

REPORT ON LAND TAX ACTS

Mr. Renwick: I have a question of the Minister of Revenue. I have just had an opportunity to read the interim report of his advisory committee.

Hon. Mr. Grossman: That is what you call fast reading.

Mr. Lewis: What does he mean? It is a mere bagatelle for the member for Riverdale.

Mr. Renwick: I'd like to know whether the committee is continuing and whether it has been given further terms of reference? I would like to know whether there is any intention on the minister's part to draft regulations to implement any of the recommendations? I would like to know whether he intends to introduce amendments to either one or both of those statutes during this session? And if he is going to introduce regulations, will he give us an opportunity to see them tabled in this House in draft form before they are promulgated?

Hon. Mr. Meen: Mr. Speaker, the committee is not continuing at the present time. It is not officially disbanded so far as I know. The chairman, Mr. Anson-Cartwright, will be and is, I expect, in constant touch with his colleagues on that committee. But at the present time, I have not assigned any further material to them.

In answer to the second question by the hon. member: Yes, we do intend to implement many of the recommendations of the committee with respect to both of these Acts, both by amendments to the Acts and by regulations. I will not undertake to tender the proposed regulations in total to the House or to committee, but I do intend to introduce later today amendments to the Land Speculation Tax Act and, as soon as the drafting can be completed, appropriate amendments to the Land Transfer Tax Act, perhaps as early as Friday of next week if the drafting can be completed by that time.

I might add that since the Act is in place and since, in many respects, they both seem to be working quite well and there isn't the same urgency toward completion of the amendments—

Mr. Lawlor: Nothing is moving in the province.

Hon. Mr. Meen: —as there was to getting the Acts in place in the spring—

Mr. R. F. Nixon: The minister is the only person in the province who thinks they are working well.

Mr. Lawlor: Frozen.

Hon. Mr. Meen: —I'm looking forward, following second reading of these amendment Acts, to putting them into standing committee where we can have a real go at them, both from the opposition and from other interested parties.

Mr. V. M. Singer (Downsview): Supplementary, Mr. Speaker.

Mr. Renwick: By way of a supplementary question, Mr. Speaker.

Mr. Speaker: The member for Riverdale with his supplementary.

Mr. Renwick: Would the minister let us know whether or not any progress has been made on the vexed question of the deductibility of the taxes for federal income tax and Ontario corporations tax purposes?

Hon. Mr. Meen: Mr. Speaker, I am not sure that any real progress has been made. The Treasurer and I spent what I felt was a very productive couple of hours—

Mr. Reid: At La Scala.

Hon. Mr. Meen: —with the Minister of Finance and the Minister of National Revenue in Ottawa on Wednesday, the 16th of this month, and I gained the distinct impression from that meeting that the federal people are in sympathy with our objectives. They have some difficulties in dealing with our Act, of course, having to represent all of Canada. I have no specifics from the Minister of Finance yet as to the course of action to be taken, but I hope that there will be some statement forthcoming from the federal government in the near future.

In the meantime, I do want to emphasize, and I have been actively emphasizing that there is no intention on the part of this government to make our land speculation tax confiscatory or punitive. And there's no inten-

tion that the net tax result on the taxpayers of this province would exceed the figures set out in the Treasurer's budget statement of April 9, namely a maximum of about 86 per cent.

Mr. Speaker: The member for Downsview.

Mr. Singer: By way of supplementary, particularly arising out of the minister's last remarks, can I take those as a commitment that in the event the provincial taxes are not deductible from federal tax as an expense of doing business, that the provincial tax will make an adjustment, retroactive if necessary?

The second supplementary I wish to put is that in view of the volume of queries, inquiries, rulings and suggestions, doesn't the minister find it a little hard to say that the tax is working well? Has he not heard the great concern amongst others, such as industrial developers, about the almost complete impossibility of getting on with industrial development in this province in view of the effect of these taxes?

Hon. Mr. Meen: Mr. Speaker, we think the Acts are working well. I think it's fair to say that it isn't only these Acts that have had the effect of tending to flatten out real estate prices. We do recognize that there are some perhaps unnecessary inhibitions that have been imposed in some sectors. I think when the hon. member for Downsview has had a chance to read through the recommendations of the report, as evidently the member for Riverdale already has done—

Mr. Singer: I glanced at them.

Hon. Mr. Meen: —there are some recommendations that will ease the difficulties in some sectors.

Mr. Singer: Page 103 puzzles me very much.

Hon. Mr. Meen: As to the member's first question, all I am saying is that in one way or another—and there are various ways in which we could tackle the question of the allowability or the non-allowability of the tax for purposes of computation of federal income tax —by one method or another we will see that the net tax result to the taxpayers does not exceed those figures set out by the Treasurer, whether it be by amendment to the Act or otherwise; and certainly any such effect would be retroactive.

Mr. Speaker: The member for Rainy River.

Mr. Singer: I have one more supplementary.

Mr. Speaker: Order, please. The time is just about finished. We should take the balance of the time on questions.

Mr. Singer: This is so vital to the economy of the province—

Mr. Speaker: The member for Rainy River.

SPECIAL PERMITS IN NORTHWESTERN ONTARIO

Mr. Reid: I have a question of the Minister of Consumer and Commercial Relations.

Has the minister taken any steps to reply or take action on the request of the Northwestern Ontario Municipal Association in regard to special permits? Has he seen his way clear to do something about setting up an office somewhere in northwestern Ontario to serve that area of the province so that special permits can be obtained readily?

Hon. J. T. Clement (Minister of Consumer and Commercial Relations): Mr. Speaker, I have received written communications along these lines from several communities in northwestern Ontario. I am considering it now, and I will be prepared to make a statement when we introduce new legislation later in this session.

Mr. Speaker: Does the member for Thunder Bay have a question?

The member for Wentworth.

ELEVATOR SAFETY

Mr. Deans: Thank you, Mr. Speaker. I have a question of the Minister of Consumer and Commercial Relations as soon as I can get his attention.

I would like to ask whether the minister would consider rewriting the regulations governing the inspection of elevators to ensure that when the mechanisms are tampered with or when the warning systems are not operative that the elevator itself will not be able to function?

Hon. Mr. Grossman: That's fine so long as one is not in it.

Mr. Deans: It's fine as long as one is not in it. What is the point of having a warning system if it is not working?

Hon. Mr. Clement: It seems to me, Mr. Speaker, that that is already covered in the existing regulations. That's only my impression. I'll have to look into it and get back to

the hon. member. So that I can understand it, is the member suggesting that if something is tampered with that the device just won't operate?

Mr. Deans: No. I refer the minister to a recent death in the city of Hamilton, where an elevator was able to operate even though the warning device had been disconnected. What happened was that the elevator could be stopped and played around with and the warning device, the bell which rings to inform whoever looks after it that there's something wrong with it, has been disconnected and wasn't operating.

I suggest to the minister that, if and when some tampering is undertaken with whatever the mechanical operation of the elevator is, the elevator ought not to be able to operate until such time as it's corrected. I mean mechanically unable to operate. I don't mean it shouldn't be allowed to. It shouldn't be able to.

Hon. Mr. Clement: I would seem to me, Mr. Speaker, that that's something that won't be corrected by regulations. It should be perhaps corrected in the design of the elevator.

I spoke to the technical standards director the other day about this very incident. I take it the member is referring to the tragedy in Hamilton some days ago when a little girl fell. Any elevator, I am advised, can be stopped by pushing the emergency button which will stop it between floors. Then with certain degrees of pressure one can pry those doors open and can insert a hand or a knee and force those doors completely open between floors.

I don't wish to comment on the matter in Hamilton because I expect an inquest has been ordered or will be ordered in that matter. But I stress that it may be an imperfection in the design and not in any breach of any regulations. I don't see how we can correct this with the law. I think it should be done, if it's a design problem, in that way. I'll follow up on that.

Mr. Deans: We will talk about it. I can't do it here.

Mr. Speaker: The oral question period has now expired.

Petitions.

Presenting reports.

Hon. Mr. Meen presented the report of the minister's advisory committee on the Land Transfer Tax Act, 1974, and the Land Speculation Tax Act, 1974.

Mr. Speaker: Motions.

Hon. Mr. Grossman moves that the House will sit on Wednesday next, Oct. 30, at the usual hour of 2 p.m.

Mr. Reid: Including the evening?

Hon. Mr. Grossman: It could be evening. I understand that that is probably the intention.

Motion agreed to.

Mr. Speaker: Introduction of bills. The hon. Minister of Revenue.

LAND SPECULATION TAX ACT

Hon. Mr. Meen moves first reading of bill intituled, An Act to amend the Land Speculation Tax Act, 1974.

Motion agreed to; first reading of the bill.

Hon. Mr. Meen: Mr. Speaker, with the introduction of the Land Speculation Tax Act, 1974, at the time of the April, 1974 budget, we made the point that it would be pioneering legislation and indicated then that we anticipated changes. This amending bill results from our various investigations, suggestions from hon. members of this House and submissions such as that of the ad hoc committee that I tabled earlier, in addition to our own experiences with the administration of the Act.

These new refinements will facilitate the administration and ease problems which the public may still be experiencing, without undermining the integrity of the Act.

The major adjustments in the bill are outlined as follows:

1. A clarification of the treatment of dispositions of farming land.

2. A change in the treatment of leases under the Act so that leases of 50 years or less will not be taxable, while leases exceeding 50 years will be taxed as dispositions at fair market value of the land underlying the lease.

3. A considerable expansion of the investment property reduction available to the owners of rented residential accommodation. The requirement to wait until April 9, 1977, before claiming this reduction has been eliminated, and the period for which the reduction can be claimed may include the period prior to April 9, 1974.

In addition, the investment property reduction concept has been extended to include farm property, and provision is made to reduce the tax on farm property to zero if the

farm has been farmed in the family for 10 years prior to its disposition outside the family. The 10-year period may include time prior to April 9, 1974.

4. A new and more effective method of exempting dispositions of subdivided serviced land is proposed. This exemption will now depend on the availability of building permits and on the expenditure of money to service the land by the developer who seeks the benefit of the exemption.

5. A roll-over to allow shareholders of a corporation that is being wound-up or dissolved to take the land out of the corporation free of tax, but at the acquisition cost of the designated land to the corporation. This will apply whether or not the corporation has 50 per cent or more of its assets in designated land.

The experience of my own ministry in the administration of this Act over the past six months indicates that the changes proposed here are desirable, but that problems may continue to arise in the application of the Act to particular situations.

More changes in the Act may prove to be necessary as these problems are analysed by my ministry, and by the Ministry of Treasury, Economics and Intergovernmental Affairs. But the changes proposed today will go a long way in clarifying the application of the Act to many areas of endeavour in Ontario.

And, in conclusion, I might add, the Land Speculation Tax Act will continue to operate with full force in helping to restrain inflationary pressures on land values in this province.

Mr. E. J. Bounsall (Windsor West): Might as well rescind the whole Act.

Mr. Speaker: Introduction of bills.

MOOSONEE DEVELOPMENT AREA BOARD ACT

Mr. Deacon moves first reading of bill intituled An Act to amend the Moosonee Development Area Board Act.

Motion agreed to; first reading of the bill.

Mr. Deacon: Mr. Speaker, this bill provides for the election of members to the board by means of a general election rather than by designation by the Lieutenant Governor in Council.

I don't think a community of 2,000 people, most of whom are Indians, should be discriminated against by having no right to—

Mr. Speaker: Order. This is not the time for debate of course.

Mr. Deacon: —vote, and this is to give them that right.

Mr. Speaker: Introduction of bills.

Orders of the day.

Clerk of the House: The 17th order, House in committee of supply.

ESTIMATES OF THE PROVINCIAL SECRETARY FOR RESOURCES DEVELOPMENT

(concluded)

Mr. Chairman: Estimates of the Provincial Secretary for Resources Development.

Hon. A. Grossman (Provincial Secretary for Resources Development): Mr. Chairman, I hope you will forgive me just for a moment to make a comment which is not related to the estimates.

Mr. I. Deans (Wentworth): I would hope not.

Hon. Mr. Grossman: I hope that Mrs. Weinstock will explain to her new Canadian class that the small attendance on Friday is not indicative of the usual attendance of the members of this House.

Mr. D. M. Deacon (York Centre): Oh yes it is.

Hon. Mr. Grossman: The weekend is usually the time when out-of-town members, some of whom have to travel long distances, are not here.

Mr. P. D. Lawlor (Lakeshore): We will let her know that that is not, strictly speaking, true.

Interjections by hon. members.

Hon. Mr. Grossman: I don't know why the hon. member is getting so excited. I am also apologizing for all of his members who are absent, 17 of them.

Mr. V. M. Singer (Downsview): Go back to the estimates.

Mr. Deacon: We do far better when you don't have to apologize.

Hon. Mr. Grossman: I don't know why you had to interrupt. I'm sure the member feels badly about the attendance just the same as anyone does.

Mr. Chairman: Order.

Hon. Mr. Grossman: Mr. Chairman, to get back to the estimates; with your permission, it's my intention to open the estimates of the policy field committee on Resources Development with a brief statement concerning the policy field concept.

Even though it was introduced nearly three years ago, there is still a good deal of misunderstanding about this system of government. Therefore, I thought it might be helpful to go into some of the work of the policy field secretariats generally.

The Committee on Government Productivity correctly anticipated the problems this government—indeed governments across Canada and in much of the western world—would be facing because of the ever increasing interrelated nature of issues today. Swollen and multi-faceted, the economic, social and environmental tasks before government are so entwined they no longer can be dealt with independently of each other. There has been from time to time, since the policy field system was first established by this government, criticism from some across this House as to the need for the secretariats.

Mr. Deans: No, on the effectiveness, not the need.

Hon. Mr. Grossman: All right. Many of these same critics have called for a return to the former system designed in and for days long gone. Many of these same critics have called for a return to the former system which, as I say, hasn't worked in modern times. That's not good enough, Mr. Chairman.

Mr. J. E. Stokes (Thunder Bay): How many ministers in the Resources Development field are with the minister today?

Hon. Mr. Grossman: The hon. member is going to have all the time he wants to ask questions.

Mr. Deans: No he isn't.

Hon. Mr. Grossman: Suddenly, Mr. Chairman, in the last few years, as has happened with all modern governments, the problems have become horizontal, affecting the programmes and policies of several ministries at once.

Mr. J. F. Foulds (Port Arthur): It is just the ministers who have become horizontal.

Hon. Mr. Grossman: A return to the days of vertical isolation, where ministries often acted quite independently of each other, is not only outmoded and outdated but I can tell you, sir, most definitely out of the question. The policy field concept has allowed us to develop a smooth, efficient, integrated relationship between all ministries concerned—

Mr. Stokes: That's why they're all here today.

Hon. Mr. Grossman: —with a given problem, and between the government of Ontario and the public.

Mr. Lawlor: Where are all these ministers?

Hon. Mr. Grossman: Mr. Chairman, as a former vice-chairman and a current member of Management Board, I continue to retain a keen interest in government organization. When we accepted COGP report No. 3 at Management Board, we did so only after a tremendous amount of discussion and review. But we were confident it would work; and, sir, it does work.

Let me quote briefly from COGP report No. 3:

> As members of the policy and priorities board of cabinet, policy ministers would assume a leadership role in initiating, developing, assessing and modifying new policies and programmes. The second major aspect of policy minister's role affects his relationship with the general public. Once freed from the administrative responsibilities of a portfolio, a policy minister would be in a position to devote considerably more time to achieving improvements in the linkages between government and citizens. Such a task has always been of major importance to any government, but it is taking on added significance in a period when many citizens are no longer content to leave decision-making on public questions entirely in the hands of elected representatives.

Mr. Lawlor: How are the minister's linkages these days?

Mr. Foulds: It sounds like sausages to me.

Hon. Mr. Grossman: To continue:

> Policy ministers, as here conceived, would have the opportunity to spend more time gathering reactions from citizens as to the effectiveness of government programmes.

That's the end of the quote from the report. These two points stand out, Mr. Chairman, and here I repeat that particular quote:

"A leadership role in initiating, developing, assessing and modifying new policies and

programmes; and gathering reactions from citizens."

Mr. Foulds: It means a slowing down.

Hon. Mr. Grossman: Mr. Chairman, our cabinet committee meets at least 45 times a year and averages more than four items per meeting. We cover more than 200 policy issues annually.

Mr. Lawlor: I am amazed that more doesn't get done.

Hon. Mr. Grossman: The policy and priorities board, of which each provincial secretary is a member, follows a similar pattern.

Mr. Stokes: Not one of those ministers is here today.

Hon. Mr. Grossman: I don't know that that proves anything. If the hon. member wants to discuss it later, I would be very pleased to do so.

Mr. Foulds: Some of the links are missing.

Hon. Mr. Grossman: There is no more reason for them being here at this particular time than there is for me being here when a particular minister in my policy field makes a statement. Nothing would get done if we ever insisted upon that sort of thing.

Mr. Foulds: Something would get done if you knew what you were doing.

Hon. Mr. Grossman: Mr. Chairman, leadership in policy development is indeed a major aspect of the provincial secretaries' role.

This work may not be very newsworthy, but through this system the people of Ontario are assured of policies and legislation which in turn produce good government.

On the subject of good communication with the people, I refer hon. members to the many delegations who have found considerable satisfaction in being able to deal with a single provincial secretary or his committee on issues which touch several ministries.

The public's frustration in previous times in having to knock on several doors to get its views across is well documented. But because of the provincial secretariat system, this is virtually a thing of the past.

An hon. member: Oh yeah!

Mr. Lawlor: I would like to see that documented.

Hon. Mr. Grossman: Our policy committee recently completed a two-day session in Kimberley. At that time, we met 30 delegations. We heard their problems. We exchanged views. We solved some difficulties right on the spot. And the remaining items are being followed up. This was our fourth field trip.

We plan to go to eastern Ontario early in the new year and elsewhere in the province in the spring.

The secretariats have developed a comprehensive understanding of the total government process. We know who is doing what and who to bring together to deal with particular problems.

In the Resources Development policy field, some issues affect all seven ministries. We examine these issues from all sides, insuring the ministries concerned are brought into the discussion. We spearhead the resolution. We set targets and monitor progress. We are, in effect Mr. Chairman, the government project managers for policy development.

Take, for instance, a major industrial or mineral development. One needs to weave together all the major policy strands to insure the proposal is adequately considered from the standpoint of environmental impact, manpower implications, infrastructure needs, energy demands and other factors.

This takes a lot of time and effort. It requires the capacity to identify where action must come from and the initiative to pull it together.

It is not an exaggeration, Mr. Chairman, to say that in the previous system, expedition of such integrated efforts would have been virtually impossible, especially with the volume of considerations this government is faced with on a day-to-day basis.

I will not, of course, go into all the policy issues we are currently considering, but perhaps it might be helpful to single out a few to show how the process works.

As an example, Alexander Centre Industries has proposed a port on Little La Cloche Island in northern Georgian Bay. Earlier this year a delegation of MacGregor Bay Association cottagers concerned about the proposal met with me and subsequently with the cabinet committee on resources development.

My staff and I visited the proposed site last spring, viewing the area by land and by air. We also held discussions with the proponent at that time about the proposed harbour.

Subsequently, the matter was discussed again at the cabinet committee level and a recommendation went forward to full cabinet.

The decision was that as part of our consideration of Alexander Centre's application for a water lot lease, the government would require the company to carry out an environmental impact study.

Mr. Chairman, last March the Speech from the Throne stated that feasibility studies would be carried out regarding construction of a harbour in James Bay to bring in potential supplies of gas, oil and minerals from the eastern Arctic.

Consultants have been asked to bid for the first two studies which will examine the resources available in the eastern Arctic and the economics of transporting them to southern Ontario. One of the alternative ways of transporting these resources could be through a port on James Bay.

I should add that the project has been discussed with Mr. Andrew Rickard, president of the Grand Council of Treaty Nine Indians, who will be kept informed and involved in all discussions on the matter.

It was decided to do the economic studies before any environmental, social or technical studies were carried out, so it would be possible to determine the economic feasibility of the concept, another area where there is an overlap in many ministries.

At public hearings of the Solandt commission, held earlier this year in Port Hope and Belleville on three possible alignments of the proposed Lennox to Oshawa 500-kilovolt transmission corridor, two additional routes were suggested by the public, over and above those studied by Ontario Hydro and its consultants.

One of these passed to the north through the Ganaraska forest, while the other was to the south along the lakeshore between Wesleyville and the proposed Bowmanville generating station.

A consultant was hired by the commission to investigate these new alternatives. Further hearings are to be held in November to give the public an opportunity to examine the consultant's report and express views before Dr. Solandt submits his report.

Mr. Chairman, an interministerial committee reporting to the secretariat has been studying the implications of the proposed development of the Lake St. Joseph iron ore deposit on the development of that area of northwestern Ontario. A report on this matter has been considered by the cabinet committee for resources development and a recommendation has been made to the full cabinet. My colleague, the hon. Minister of Natural Resources (Mr. Bernier), will report on this matter in due course.

There has been some public debate recently about the future of the community of Armstrong. The cabinet committee on resources development has taken the initiative in trying to resolve the difficulties of Armstrong aggravated by the recent closing of the radar base there by the federal government.

As I mentioned Tuesday in the House, the federal government has now nominated Mr. Andras to co-ordinate Armstrong matters on behalf of Ottawa. As promised, Mr. Chairman, I shall read a statement concerning Armstrong to the House next week.

Mr. Chairman, the Speech from the Throne also stated:

> The government of Ontario will establish structures to develop and co-ordinate science policy, both within our province and in co-operation with the government of Canada and other provinces.

In the past, sir, there have been repeated calls for science policy structures which would cut horizontally across the traditional vertical structure of government. In Ontario, the provincial secretariats provide us with such a system.

Science policy-making decisions require involvement from every ministry. Science policies formulated for one section of government can have important consequences, especially in the long run, on the goals in a different sector. For example, decisions on research funding in universities may in the future materially affect the supply of trained experts in fields such as mining and health care research.

The need for a small body of people who are familiar with the policy making and programmes of all ministries is essential to science policy formulation, and this is what the secretariat system provides. Either myself or my staff can discuss science matters with three or four colleagues and very quickly pick up policy implications in any other area.

When Dr. Aurelio Paccei, founder of the Club of Rome, discussed science and technology, he called upon governments to create more dynamic research structures and to evaluate the multi-disciplinary approach. I submit to you, sir, that the secretariat system in Ontario does just that for science policy determination.

As to the question of the need for new structures in government, the need for bureaucratic reorganization was vividly expressed by Alvin Toffler in his now famous book, "Future Shock."

Mr. J. A. Renwick (Riverdale): We get daily shocks.

Hon. Mr. Grossman: The hon. member will be getting more shocks.

Mr. Renwick: The minister doesn't have to quote Alvin Toffler; that book is nonsense, he ought to know that.

Hon. Mr. Grossman: I quote, sir: "In short, the organizational geography of super industrial society can be expected to become increasingly kinetic, filled with turbulence and change."

Mr. Lawlor: Kinetic—my Lord.

Hon. Mr. Grossman: "The more rapidly the environment changes, the shorter the lifespan of organization forms. In administrative structure, just as in architectural structure, we are moving from long-enduring—"

Mr. Renwick: Jeez, I never thought Alvin Toffler would be quoted to me in this Legislature. It is a second-rate book by a second-rate author, just like a second-rate government.

Hon. Mr. Grossman: "In administrative structure," I repeat, "just as in architectural structure, we are moving from long-enduring to temporary forms, from permanence to transience." That's the end of the quote, sir.

Mr. Lawlor: I hope you are going to transience.

Hon. Mr. Grossman: The internationally known science policy expert, Dr. Alexander King, who has consented to advise and assist the secretariat in developing a science and technology policy for Ontario, says in a work published just this month—and I hope the hon. member opposite won't claim that Dr. King is second rate: "There is a need for the development of new techniques of long-term reflection and planning, preferably of an integrated nature."

Mr. Foulds: You are doing an awful lot of name dropping.

Mr. Deans: Have you no work of your own to quote from?

Hon. Mr. Grossman: To continue:

> Equally essential is the need to alert the public to the gravity of some of the longer term issues and the need for preventative rather than remedial action. Recent work has also indicated in relation to some of the global problems the enormous costs, both in monetary terms and in human suffering, of delays in taking critical decisions.

Mr. Lawlor: King contradicted Toffler and probably King is right.

Hon. Mr. Grossman: I submit that we have proven in the policy field structure of government the ability to deal with interwoven complexity of today's problems in the well thought out yet expeditious manner so necessary in today's world.

Mr. Foulds: Who writes that stuff?

Hon. Mr. Grossman: Indeed, other jurisdictions have either adopted our policy field system or variations of it. As a matter of fact, in a few days a government delegation from Australia arrives at Queen's Park to discuss and study our policy field system.

Mr. Chairman, I present for the consideration of hon. members the estimates of the Provincial Secretary for Resources Development.

Mr. Chairman: The hon. member for York Centre.

Mr. Deacon: Mr. Chairman, I am interested to listen to this plea to justify the continuation of this bureaucracy, and I think I feel like the rest of the members in this House—we are not impressed by the long diatribe we have just listened to. One of the things we have to recognize is that a major need is to get back to simpler structures, not to the more complex structures of bureaucracy which we have here. We have an ideal form for developing more theory, perhaps, but very little evidence of practical involvement.

The minister has indicated some 45 meetings to co-ordinate a lot of projects, but I haven't seen any evidence of this secretariat dealing with some of the really vital and important issues that face us today in this province.

One of the most important issues, surely, is the destruction of our first grade agricultural land in this province. This government has just announced plans under one of the ministries within this secretariat to literally destroy thousands of acres of the best land we have in this province. We darn well should recognize that it's under this new guise of a secretariat that he's trying to justify his future existence, when he has done nothing so far in that field to show his concern, in the remedies he's developed with this supposed method of integrating the ministries responsible for this work, he

has done nothing to divert the location of development in other areas.

When I see the best producing land being gobbled up at an enormous rate—a faster rate every year—because this government is doing nothing, I realize that the $504,500 in this secretariat is just going to become another item of waste.

And it is waste that is worse than normal waste, because this minister is pretending that he's doing something about such an important matter as the long-term planning for the future of this province.

When we allow plans to proceed which are going to devour faster than ever our best agricultural land, then we certainly are in need of getting rid of this secretariat or changing the minister.

The second point that I note is the minister making some pretense at considering developments in other parts of the province to encourage development where it is so badly needed. I am pleased to hear that he went to Armstrong and such centres to try to consider methods by which activities can be continued. We certainly don't want to have artificially-created ventures that cannot justify themselves over the long run.

The federal government's defence location, whatever they had up there, is certainly not something that we are glad to see go, but if that's the trend—reducing the defence expenditures in that direction and in other directions—we've got to find other methods of providing an economic base for those communities.

What has this secretariat done to consider such an alternative, for example, as providing this province with a much more sensible and more realistic east-west traffic corridor? If the minister looks at that country across the north of Lake Nipigon, has he recognized the fact that that area has the soil conditions that make for a low-cost development of roads, unlike the area to the south where the rocks and other features make it much more difficult. In fact, the CN route through Armstrong is one where within the last six years very fine roads have been built at such low cost as $15,000 a mile, roads that can carry 30-ton logging trucks at 50 or 60 mph and stand up very well

In considering the total economic future of this province, has this secretariat looked at the possibility of a new traffic corridor which would move through northern Ontario 75 per cent of the road traffic that now passes across through the states from east to west? Canadian freight traffic that now goes by road from Winnipeg to eastern Canada via the states could be moved across through northern Ontario, and moving that traffic through there would provide a commercial and economic base for such communities as Armstrong which were, after all, originally developed as transportation centres.

Have you considered what that road corridor could do, if it had plenty of passing lanes and had good service facilities along the way, to help open up other opportunities for development in the north?

Mr. Stokes: We've been after it for five years.

Mr. Deacon: Nothing has been done about it at all. They talk about studies; but here is a secretariat in which we spent $364,000 the first year, $389,000 last year and we are going to be spending $504,000 this year; what has this secretariat got to show us in the way of evidence of a means of dispersing opportunities and development to that important part of Ontario?

There is another major factor which affects this area on which I don't hear any comment. I've seen nothing come through from this secretariat about that all-important development in the bottom end of the minister's own riding, the Metro Centre. What has been done by this ministry in recognition of the fact that that is the most important transportation hub in this province? It isn't being designed to fit the needs of transportation—as an interface of various modes of transportation—but it is being designed as a profitable commercial development with the transportation taking second consideration.

Yet we hear nothing in the way of comments from this ministry or of studies to show what, in fact, would be the most modern, up-to-date means of making that hub a model in the world of good transportation interchange.

Surely those factors—factors of preserving agricultural land, doing something realistic and dynamic to justify and to make economic over the long term, economic development in other parts of this province; and a programme that would improve public transportation in a centre such as this metropolitan area—would be three major programmes this secretariat should be dealing with and have something to report on? But no, it is just a continuation of what we have heard before there was such a thing as a secretariat. It seems to me we have evidence that this is just another way of spending money, of giving jobs to friends and not really producing anything in the way of new dynamic programmes for this province. For that reason, we are very concerned about

the continuation of this waste of the taxpayers' money.

Mr. Chairman: The hon. member for Wentworth.

Mr. Deans: We are also concerned. We are concerned, but not so much about the new things that aren't being done, because frankly we are not exactly clear what is being done.

I think a lot of the problems that have been with us for a number of years are still around and that the policy secretariat should be the place in which the problems of future development in the province are undertaken and solutions are found. I can well imagine that we are not going to be taken into the confidence of the policy minister with regard to what sorts of things they are currently studying and the direction they are contemplating travelling in, simply because it has always been a statement of government that they will announce their policy in due course, and we will hear about it either just immediately prior to or immediately after it has been implemented.

Unfortunately, that isn't good enough, because for many of us the work of the province, the future of the province and its development is a top priority and something that we are vitally concerned about. No matter on which side of the House we sit, the majority of members do, in fact, spend a considerable amount of time thinking about and planning out what they think might be useful in trying to combat immediate and future difficulties that we imagine this generation and other generations are going to face.

I looked at the policy secretariat idea when it was first brought in. Quite frankly, I thought that, given an opportunity, it might work fairly well and that it made sense that there should be a co-ordination of the various ministries and they ought to be discussing with each other, on an ongoing basis the methods they intended to adapt to solve transportation, relocation, industrial growth and environmental problems. I would expect that the ministers would be particularly interested in the whole area of the jurisdiction the policy minister has and would be vitally interested today in hearing what might be said about the policies of the government of Ontario and what direction those policies might take. It might not even be a bad idea if a couple of the ministers could drop by and pay attention to what's going to be said about their particular areas of concern as they relate to the overall policy development of the province.

It's interesting to note that out of seven different policies and seven different ministerial areas that this policy secretariat has responsibility for, only the Minister of Labour (Mr. MacBeth) has the courtesy to sit in the House and at least to pay some attention to what might be said.

I understand that the minister is going to come back and say that it's his policy field and he will report back to them and they can read what's going to be said in this House. That's not the problem. The problem is this, that this ministry doesn't make policy; the policy secretariat doesn't make policy. It simply integrates policy, it sifts through policy and it discusses with the various ministries what methods can be used to try to adopt those policies and adapt those policies. Therefore, for us to talk to you about specific policy areas may not make much sense.

If that doesn't make any sense, then comes the question of what real function do you perform other than to be the chairman of the various ministers. If they are going to be charged with the responsibility of developing the individual policy, and if they are going to be charged with the responsibility of making the presentation, and if they are going to be charged with the responsibility of implementing the policy, then do you simply chair the policy meeting so that there isn't a big argument that develops; or do you referee to ensure that the proper priorities are sought?

Then do you set priorities; because you have the policy and priorities board? I understand they set the priorities; you don't set them. Who does set the priorities in the government? If it's not the policy secretariat, then who does it? I want to know this. Does the policy minister go forward to the policy and priorities board with the overall policy objectives of the areas under his administration?

Hon. Mr. Grossman: Yes.

Mr. Deans: You then sort out which of the ministers are going to be given priority with regard to their particular projects that are under way, and from there that's taken by you to the policy and priorities board for some kind of approval?

Hon. Mr. Grossman: Does the hon. member want me to interrupt at this point?

Mr. Deans: No, you can tell me in a minute, because I'm really quite perplexed about how it works and what is the integration of the various policy ministries. How

does one integrate social policy with this particular resources policy field, because quite obviously any undertakings in resources policy have tremendous social consequences? Who is the responsible persons or body which determines that kind of policy? Is that done by the policy priorities board or is that a decision of the Premier (Mr. Davis), or is that an overall cabinet decision? Do you have to then rehash everything again to try to decide what should be done by whom and when?

Anyway, I want to turn to three specific matters that I think should be dealt with. I put them forward to you as suggestions from this side of the House about three particular policy areas that are of concern to us that fall within your jurisdiction. I am not suggesting for a minute that they are the only concerns that we have. Because I isolate them from the many other concerns, I don't want you to feel there aren't matters within the other ministries that we wouldn't like to see given priority by this government. But we do feel, given the mood of the province at the moment and given the urgency of the problems, these are things that ought to be undertaken and should be given top priority by your ministry.

The first thing I want to talk about is the report that was just recently issued on the matter of Algonquin Provincial Park. We've had an opportunity to take a look through the report and to try to understand what this report has really said. While the time has been short to have accomplished any really meaningful digging in this regard, I think it's fair to say that since your ministry's estimates are called today and the opportunity to discuss it again may not be for some considerable period of time, I want to take this opportunity to tell you a few things about what's happened.

To begin with, we're not at all satisfied with the solutions offered by the report on Algonquin Park. We don't happen to believe that they go any way to meeting the problems that are emerging in that area.

To begin with, it's imperative and vital that we understand that Algonquin Park is an absolute requirement for recreational purposes for a great many people in southern Ontario and we've got to establish that as being the priority matter. In recreational terms, it cannot be replaced. It is in itself unique. The destruction of Algonquin Park, whether it be destroyed over a course of time or whether it be destroyed in one fell swoop, is unconscionable and cannot be tolerated.

I want to raise with you some specific matters related to your report and to the availability of timber in Algonquin Park and in the immediate areas surrounding Algonquin Park. I refer you to page 15 of your own report where you indicate that something in the order of 75 per cent—74.9 to be exact—of the park area will be available for cutting. While it may be argued by those who are going to be in the business of timber harvesting that they're not going to go in there and cut it all at one time; and while you may point out to me that in fact you're only going to permit a cut of one per cent in any given year and that you're only going to permit a maximum cut of between 15 and 17 million cubic feet a year; I want to point out now that the maximum cut you are allowing for a year in Algonquin Park is 80 per cent higher than the actual cut in Algonquin Park by your own statistics. The maximum cut allowed by this report in Algonquin Park ranges up to 80 per cent higher than the actual cut of timber in the park at the present time. If that isn't the policy that pursues destruction for Algonquin Park, then I don't know what it is.

Beyond that, let me tell you that the 17 million cu. ft. you are prepared to admit could or may be cut within Algonquin Park at this time is in fact 50 per cent of the available cut in the area within a 50-mile radius of Algonquin Park, excluding the park itself. If you were to adopt what one of your ministers recognizes as being factual, that there is within a 50-mile radius of Algonquin Park sufficient timber to allow for a cut which would be at least the equivalent of that which you intend to allow within the park itself—

Mr. R. G. Hodgson (Victoria-Haliburton): That is absolute nonsense.

Mr. Deans: It is not nonsense.

Mr. R. G. Hodgson: Sure it is.

Mr. Deans: Well, let me quote from the statistics of the ministry—

Mr. R. G. Hodgson: I don't care what statistics you want to quote from, you don't know the facts. Go up and count the trees.

Mr. Deans: Let me quote from the statistics of the ministry itself—and I want to suggest that if the member for Victoria-Haliburton—

Mr. R. G. Hodgson: I happen to know something about it.

Mr. Deans: If the member for Victoria-Haliburton would check with the ministry officials he would find that the statistics I am about to quote are taken from their records.

Mr. R. G. Hodgson: They are wrong; they are not right.

Mr. Deans: The statistics were put on the record by the leader of this party some considerable time ago and they have never been refuted by the ministry.

Mr. R. G. Hodgson: They were as wrong as the ones you are giving.

Mr. Deans: They were published on three separate occasions, and not once did one single ministry official suggest that the figures weren't correct.

Good friends though we are, if you are going to sit and tell me that because you happen to have been associated at some point with the timber industry, that you know more about the available cut in a 50-mile radius of Algonquin Park than the ministry does, that the statistics they put forward in their defence are wrong, and that you personally got out and counted all the trees, then I am going to tell you I don't believe you.

Mr. R. G. Hodgson: We have a lot squirrels up there.

Mr. Stokes: And a lot of squirrelly people too.

Mr. Deans: The 1972-1973 figures for the area surrounding Algonquin Park show initially that there is a substantial amount of hardwood in a 50-mile radius around the park, and that there is 34.1 million cu ft of allowable hardwood outside the park gates—and that is not the total amount, but an amount established as being accessible and available for cutting. Given that arrangements could be worked out either with the owners or with the Crown and given the 50 per cent application that is used by the ministry in terms of the actual amount of top-grade hardwood in any total cut that is made, you would have a total allowable cut of top-grade hardwood of 17.6 million cu ft in the area outside Algonquin Park, but within a 50-mile radius of the park itself.

Mr. R. G. Hodgson: One company cuts twice as much as that a year.

Mr. Deans: Now let me tell you that the 17.6 million cu ft is the equivalent of the amount that is to be allowed for cutting within the park. That is the equivalent, according to the statistics. You are going to permit a cut in the prime recreational area of the park which would be the equivalent of the amount which could be cut outside of the park, using your statistics and your percentage of allowable cut.

What I am telling you is that you don't have to go into the park for other than yellow birch, and even that's going to be discussed. But for all other forms of soft and hard wood, for all other forms of timber that we require that is available within the park, there is an opportunity to make the appropriate and allowable cuts outside of the park, which could enable us to maintain the park in its present state for recreational purposes. I suggest to you that that's one of the things that has to be done.

Given that we may have problems with yellow birch—and I am not an expert; my colleague from Thunder Bay is much more of an expert than I am on this—but given that we might have problems, it is entirely possible that an arrangement could be worked out whereby it could be harvested over a short period of time, until either alternatives are found within the country— or for that matter, until we have made arrangements outside of the country for the exporting or importing of that particular wood product.

We can't simply allow the park to be torn apart because we need yellow birch. I think you have got to agree with that; that we can't allow the destruction of the park simply for the purpose of harvesting one particular type of tree that may not be as readily available elsewhere. And that is what this programme and policy that has been set out by the government is going to mean.

The arguments that are put forward are arguments both in terms of jobs and in terms of the need to harvest, for reforestation and development purposes. Quite obviously the job argument is one which we are vitally concerned about. The argument with regard to cutting for the purpose of getting out deadwood and keeping forest fires to a minimum and the like—

Mr. Stokes: Therapeutic logging.

Mr. Deans: Therapeutic laundering is it?

Mr. Stokes: Logging.

Mr. Deans: Therapeutic logging says my colleague. That, of course, makes a lot of sense and can be carried on. It has to be carried on if we are going to have a healthy stand of timber in the area. But as far as

the job argument is concerned, if in fact it is true that there is available timber outside the park within the radius that I described, then the jobs which are currently available within the park would then be available outside the park in an area which would be reasonably close to allow for a minimal of dislocation; an absolute minimal of dislocation.

I suggest that one of the statements of the minister himself, when dealing with his opening statements, sort of bears out the philosophy that I am trying to get through to you.

You quoted Dr. Alexander King and you said that it is equally essential that the long-term issues and the need for preventative rather than remedial action be made available to the public. Well, I am going to tell you that is exactly what I am talking about. I am talking about preventative action now, rather than remedial action later. I am saying to you that you cannot regrow Algonquin Park.

Mr. R. G. Hodgson: Why can't you?

Mr. Deans: In terms of the future generations of this province, it is virtually impossible.

Mr. R. G. Hodgson: You don't know very much about it, do you?

Mr. Deans: —given the period of time available for us to redevelop that park, if you permit the kind of indiscriminate cutting that you are proposing to permit now.

You are going to permit by your policy an increase in the take from Algonquin Park from something in the order of 12.4 million cu ft — which is the current take from the park—to a maximum of 17 million cu ft For many of us, the 12.4 million cu. ft. is eating into the very areas of the park which are most accessible and most necessary for recreational purposes.

This government has decided by putting forward a policy of permitting a 12 million cu ft cut, to make further inroads into the timber of the park and to permit further desecration by way of timber cutting and by way of the forest industry.

Well it isn't necessary. If it were the only alternative, then we might say okay. If there were no other alternatives, if it was absolutely vital to the economy of the province that they cut in Algonquin Park, we would have to take a second look. If there wasn't another area anywhere in the province where those trees could be harvested, then we might take a second look.

If it was even economically unfeasible, given either distance or difficulty in harvesting, to harvest the equivalent amount outside of Algonquin Park, we might take another look. But the facts of the matter are that within easy access of the park there is a sufficient amount of timber to allow for the timber cutting which you propose to allow within the park.

Mr. R. G. Hodgson: Where?

Mr. Deans: —And within easy access of the park there will be job opportunities for the people who are currently employed in the timber industry within the park; and within easy access of the park there is an opportunity for the continued development of the timber industry; that the yield to them in terms of dollars will be, if not the equivalent, certainly close to the equivalent they are currently getting. And we will have taken the necessary steps to ensure that Algonquin Park will be available for recreational purposes for the many millions of people who are ultimately going to require it.

Now for heaven's sake don't make the same mistake in Algonquin that was made generations ago along Lake Ontario and Lake Erie. Don't, for God's sake, sit back now and adopt a policy which allows a little bit of pollution, hoping that it will finally all go away and it will all be integrated into the overall system.

There was a time when they made a decision with regard to Lake Erie to allow people to pollute it because it was such a big body of water and that it would regenerate itself. Well we have lived to rue that day. We have now found ourselves in a position of being almost unable to reclaim the lake.

I suggest to you that the kind of policies you are following in this regard are parallel to those former policies. You are about to allow a gradual erosion which will not readily be stopped.

I want to tell you or remind you that it is within your power at the moment, given that in March of 1975, 27 of the 31 or 34 companies who are logging in the park—let me just make sure I have got the right figure—27 of the 33 companies that are currently logging in the park have their licences expire.

On March 31, 1975, twenty-seven thirty-firsts of the logging ceases, by company if not by volume; and by 1983, the last of the current licences will expire. I suggest to you that between now and 1983 there simply has to be a complete change of policy, so that whatever harvesting is done in there is of the

therapeutic type described by my colleague from Thunder Bay.

I urge you not to adopt the policy that has been put forward in this booklet. I suggest to you there are alternatives that are yet to be pursued—only one of which I have mentioned. That alternative, I think, in the long run makes a lot more sense than the pursuit of a policy which will destroy an area which cannot in its totality be replaced. That cannot, no matter how carefully you try to reforestate; that cannot, no matter how carefully you try to ensure that the harvesting is done under close supervision; that cannot be put back in the kind of state that it is currently in.

I don't think we in this generation have the right to destroy what may well be required by future generations for recreational purposes. If you are going to argue with me that it can't be done elsewhere I am going to tell you that is balderdash.

Let me go on to one other area—two other areas that I want to discuss with you. I am vitally concerned about the problems that we have had confronting us in the last few months with regard to labour relations. I see a policy of this government being developed that is totally destructive. I have watched this government set about to create confrontation between the workers of the province and the people of the province.

I watched while you failed to insist on action being taken early enough in the transit dispute, though there was ample evidence of bad faith bargaining. I watched while there was a major dispute developing between the teachers of the province, though there was ample evidence of bad faith bargaining. I have watched while there was a dispute in the city of Hamilton, currently in negotiation again, but which has gone on for nine months in which there was ample evidence of bad faith bargaining.

I have seen, year after year in this House, labour disputes emerging and labour disputes being carried on in which the main problem has been an element of bad faith bargaining. And I watch it right now between this government and its own civil service.

I see the scenario. I can just picture in my mind's eye what is going on at the moment.

I seen it as continuous refusal to permit meaningful negotiations to take place. This will ultimately result in an illegal strike in the Province of Ontario and will ultimately result in the pitting of the people of the Province of Ontario against their own employees. When that occurs, I want to assure you that the responsibility will have rested with this government.

The attitude of this government toward the collective bargaining system, the attitude of this government toward ensuring that the collective bargaining system works effectively is disgusting. There is little effort and little thought and little consideration given to the whole area of what constitutes bargaining in bad faith. In fact, if industry in the Province of Ontario wants to take a look at bad faith bargaining, all they have to do is look at the civil service and its employers to find out where the worst of the worst in bad faith bargaining takes place.

When a government can sit down and can so restrict the opportunities for meaningful collective bargaining by an Act of this Legislature, in spite of all of the protestations and warnings of people who have some knowledge in the field, and can they cry because its employees are resorting to standing up and speaking publicly about the problems which are currently confronting them and which cannot be resolved at the bargaining table because there is no avenue for resolution, then there is something drastically wrong with the way the government perceives the bargaining process.

Beyond that, out in the private sector, when a company can by use of outside sources bring into this province and into this country the products that it must sell at a price that will allow it to continue to sell across the markets without any decrease in profit, while its employees are standing at the gate asking for the opportunity to negotiate, then there is something drastically wrong with the industry policies of this government.

When there is evidence presented time after time, as was presented in this House by members of the opposition—and, I suspect, probably by members of the government—when there is evidence presented time after time about the attitudes of the Karl Mallettes of the world towards their own employees and the decisions which they come to with regard to ensuring those employees are not given a decent opportunity to negotiate sensibly at the bargaining table; and when this government sits back and does nothing about it; then you don't understand the collective bargaining system, and by not understanding it you are bent on destroying it.

When it's evident from the actions and deeds of the chairman of the Toronto Tran-

sit Commission, for example, that he has no intentions at all of bargaining in good faith; and when this government refuses to recognize that some changes in the legislation are required in order to ensure that it can more readily identify bad faith bargaining, which can be more readily dealt with by the courts or by the Labour Relations Board, then there is a basic and fundamental problem in the way in which the collective bargaining system is or is not going to work.

I suggest to you that it is about time you went out and you honestly sought the views of the people who are most involved in the collective bargaining system. I want to assure you of one thing, that in the main the collective bargaining system is a very humane system, that it works extremely well, that they are not at each others' throats all of the time, and that by far the majority of contract negotiations result in a settlement—over 90 per cent, perhaps even over 95 per cent. In those areas where there are problems, they are almost without exception the result of bad faith bargaining. They are the result in most instances—not all, but in most instances—of individuals refusing to recognize the legitimate needs of the other side.

I think it would serve this government well if it were to try to find out from the people who do the bargaining what it is that can be done to strengthen the collective bargaining procedure in order to ensure that it will work even better than it currently works.

There is no point in talking about the destruction of the system if you are going to continue with the policies you have adopted with regard to the employees of the province. There is no point in saying that someone away out there with whom you have no relation has got to do something different when in fact you have adopted within your own government the most restrictive and most unnecessary regulations and laws governing the right to collectively bargain between the Crown employees and the Crown of the Province of Ontario.

There have to be some very major changes, not only in the legislation, because legislation in itself is really not of much value, but in the attitude of this government towards the people who have to work on behalf of the government and on behalf of the people of the Province of Ontario.

If this isn't undertaken, let me tell you that the warning bells are being sounded; the people of the province are being told that the government is bent on bringing about a strike in the civil service in an effort to divert the attentions of the people of this province away from the ineptness of the Premier and the cabinet and towards the civil service of the Province of Ontario who have worked so desperately hard to try to create a decent government atmosphere.

I say further to you that by March of this coming year, unless there is a discernible change in attitude, there will be a major confrontation that will have been brought about by the process of destruction that this government began to follow in the days of Charlie MacNaughton and that will destroy both the attitude and the commitment of the people within the civil service.

As I have said on so many occasions in this House, it's frequently not wages that cause the basic problems in negotiation but rather the discussions about working conditions and how the employee and the employer will relate. And you have in your own civil service Act the most restrictive management rights clause that I can recall in anything I have read that has been written over the last 50 years.

You are moving backwards—and you are going to create a confrontation. I see it as being Machiavellian, as being a conscious effort on the part of this government to divert the people of the province away from the ineptness of the government and to vent their frustrations and anger on the civil service. We are not going to stand for it. I urge you to make some very quick and careful corrections, otherwise you are going to be faced with some very serious problems.

I have one other policy matter I want to deal with. I want to talk to you about recent changes in the revenue derived from the mining companies of the Province of Ontario.

We have long felt that the resource sector of the Province of Ontario is the backbone of the province, that the strength of the province, that its future, the future of the people of this province, depends to a great extent on the careful utilization of resources.

It depends to a great extent on ensuring that the resources which we believe are the property of the people of the province are harvested in such a way and utilized in such a way as to yield the maximum benefit for the people of this province.

As part of that maximizing of benefit to the people, we are of the opinion that there has to be a much more substantial direct yield to the coffers of the province by way

of taxation from the resources which are being taken from this province and which are depletable and which will some day be gone.

We are convinced that over the course of the history of this government, the government has kowtowed and has gone on bended knees to the mining operations of this province. But it has failed in every single way to establish the proprietary right of the people of the province. It has neglected in the most damning ways its obligation to ensure that that which belongs to the people is purchased from the people at a fair price. And that is what the tax system is all about in my view. That tax system is designed to ensure that as those depletable resources are taken from the ground in this province that not only is the job a consideration, not only is the location and development of municipalities a consideration, but also the benefit which must flow to the entire community of Ontario—for that matter beyond, to Canada—has to be of primary consideration.

The taxing structure is the vehicle that this government has chosen—and I think perhaps quite rightly so, given the history of development—to yield back to the province a sufficient amount of revenue to compensate for the loss of the resource.

If that is so, then I want to stress with you that your taxing system is woefully inadequate; that even with the changes, even with the recently announced changes in the budget of this year, the tax structure of the Province of Ontario is deplorable as related to the revenues and profits of the mining corporations. It doesn't in any sense begin to meet the basic needs in terms of either the development of the areas from which the ores are extracted or, for that matter, even to begin to meet the basic needs that are reflected in a fair market value for the resources which is ours and which is being used privately for private gain.

I want to tell you, as briefly as I can, what we think. We frankly believe that the natural resources of Ontario are rightfully the property of the people of Ontario. Our objective, quite frankly, is to obtain the full economic rent from these resources for the people of the province. The economic rent, as we define it, is the value of our resources.

We have a feeling that this government, and perhaps governments before it—though it is hard to remember governments before it—have let the private companies run rampant in this province in the resource field.

The rate and the nature of resource development should be determined by the people of Ontario through its government; it should be tied in with an overall industrial strategy for the Province of Ontario.

We believe there has to be a programme, not unlike the programme put forward by the select committee of the Legislature, of which I was a member and on which my colleague, the member for Sudbury East, and other colleagues in the House also served.

It is time that the government of the Province of Ontario exercised its prerogative to maintain an equity interest in the development of the resources of the Province of Ontario. The policy put forward by that committee, though perhaps not the panacea for future development, certainly is a large step along the way to ensure that the resources of the province would in fact be used to the benefit of the people of the province. Until all the resources in the resource industries are brought under a form of either joint or public control we have to make sure that there is a sufficient yield from the tax structure.

We despair, quite frankly, at the pitiful amounts of money that have been raised as a result of the resource taxes. I think my colleague from Sudbury East fairly recently outlined in quite considerable detail—and I won't do it again today—the actual yield to the province from the resource taxes of the province. They run at a level that is so pitifully low as to be almost laughable. In fact, you could laugh if you weren't crying.

Mr. Foulds: Right, it's scandalous.

Mr. Deans: Because it's a shame that the government of the Province of Ontario would be prepared to yield all of its power to the private corporations in the resource sector and allow them to run rampant and to rape the province in whatever way they so desire without any act of retribution.

Mr. Foulds: And American corporations at that.

Mr. Deans: The profit margins for the majority of the resource sector have leaped almost unbelievably in the last few years. They have gone, quite frankly, from a very high level to an exorbitantly high level, because they were running considerably above the average yield for other types of industrial development and enterprise within this province, or within this country for that matter.

I want to say that if there was ever a place where the government could look,

seriously look, in an effort to find the revenues that it is going to require to undertake the kinds of programmes that obviously will have to be undertaken to meet the social needs of the people, the resource sector is that one place that has as yet not been attacked.

In fact, one would get the impression that the pitiful amounts that were paid in were simply paid in for favours granted, and that the government responded favourably to the resource industries simply because of the very close relationship which they have enjoyed over the years.

Anyhow, what we are telling you is that in the discussion of policy you have an obligation. That obligation is, in addition to the other things that are raised, to address yourself to the very basic problems that confront us, and one of the big problems is the last one I raised with you; that of finding sufficient revenue for the ongoing programmes and for the development of new programmes.

I suggest to you that right within your own policy area there is an opportunity to provide capital in amounts which would be sufficient to meet many of the programmes which are either currently under way or will be required within a short period of time.

That could be done without exacting any particular hardship on the operations as they exist. In those operations the yield on investment, the current yield on sales or the profit as related to either or all of the various factors that are considered, is considerably higher than is either tolerated or is considered reasonable in most other sectors of the economy.

Even if we were to exact from the resource sector twice as much as you currently propose, they would still be in a very healthy state, and you would then be able, without any difficulty, to carry on with your housing programmes, to carry on with your road-building programmes, to carry on with the development of transit—not all necessarily in one year, but over the course of time—and to develop a policy which would utilize the flow of those funds in order to ensure that there would be sufficient moneys available to make the province into what you perhaps think it ought to be or at least what the people of the province require of you.

I would urge you to reconsider your policy on Algonquin Park. I want to urge you to reconsider your policy as regard to labour relations and, in particular, with regard to good faith bargaining. I want, finally, to urge you to reconsider your policies with regard to the taxation field as it is applicable to the resource sector, because in these three areas alone there is a sufficient amount of room to do so much more good that would create a much better environment within this province both economically and socially.

Until you do those things, then you are playing a game when you tell me that your policy secretariat is doing worthwhile things.

Mr. J. P. Spence (Kent): Mr. Chairman, could I ask a question before the minister replies to the critics of his department?

Mr. Chairman: The hon. member for Kent has a question.

Mr. Spence: Yes. This is the second Throne Speech since I've been a member, that has announced a survey of port facilities at James Bay. I know the minister was in the cabinet at the time that the government announced a survey of port facilities around James Bay. I have nothing against any development for those in northern Ontario, but since that was announced in that Throne Speech I never heard a word about the survey nor have I ever heard of any development taking place. I might say that I quite remember the debates on that survey on port facilities on James Bay.

I believe the Throne Speech said that to transport gas from the Arctic is the reason why the government is announcing a survey to be made. I quite well remember the debates about port facilities on James Bay by members from northern Ontario. They said that if they started to construct a port there and started to remove the quicksand, the quicksand would flow in as fast as they dug it out, and this would be one of the things that would stop unemployment in Ontario and in Canada because it would take so many workmen we'd never have unemployment again.

I wonder if the minister has made use of the surveys that were made in 1959 or in 1963 of what had taken place and if it is possible that they can build a port at James Bay.

Mr. Chairman: The hon. minister.

Hon. Mr. Grossman: Mr. Chairman, to reply briefly, I don't recall that there was any previous Throne Speech in which was announced precisely what we were talking about here. It may very well be. I can't recall it. All I can tell the hon. member, if he's questioning the sincerity of our effort or whether we are really making an effort, is that I would draw his attention to the advertisement which appeared in the press late in August, a copy of which I have here, in which we have called for letters of qualification from

various consulting firms to find out those who might be qualified to do this study, and we prequalified six firms. I suppose one of them will be chosen in a matter of a few days or a few weeks. So this is proceeding.

In respect of any reports which the federal government may have in its records, or any surveys that have been made previously, I would certainly hope that any qualified consultant doing a survey here would take advantage of those reports. Just in case he may not be aware of them, which I would doubt, we would certainly draw that to the attention of the consultants. This survey is being pursued very vigorously. I can assure the hon. member about that.

Mr. Deacon: It might be a good idea if the minister would check into what his ministry has been doing itself.

Hon. Mr. Grossman: I can't recall if this has been done. I have asked the deputy provincial secretary who is sitting here and who has been with the government for some time and deeply involved in many of these matters. He can't recall it either. However, we'll look into it and find out.

Mr. Deacon: It's not difficult to understand. There are so many of these things that your ministry doesn't do anything about.

Mr. Chairman: Order.

Hon. Mr. Grossman: To say that there are so many of these things that we don't do anything about is a very, very flat statement which is easy to make but not that easy to prove.

In the first place, of course, Mr. Chairman, I am not unmindful of the fact and I listened to the debates in previous years before I held this post—that it is a simple matter to attempt, through the process of questioning the provincial secretary of whatever particular field happens to be under discussion in respect of various details of the various ministries within his or her secretariat, to "prove" to those who may be listening and may be unfamiliar or uninitiated in the matter and I don't mean the people in this House, but just in case the press might print something on this, which I doubt, or anybody who may be in the House at that time—that the provincial secretary is not familiar with his work, and of course it is easy to give that impression to the uninitiated.

Mr. Deans: Especially if it is true.

Hon. Mr. Grossman: Of course it is true. Such a provincial secretary would not only have to be—to quote the euphemism that has been used in the past quite improperly to describe the job — a superminister, but he would also have to be a Superman. Indeed, it is hard enough for a live minister—

Mr. Foulds: Aren't you a Superman?

Mr. Deans: I didn't raise anything that you ought not to know about.

Hon. Mr. Grossman: Well, of course the hon. member did. I will deal with that. I am speaking of the—

Mr. Deans: Don't make excuses; give answers.

Hon. Mr. Grossman: Well, if the hon. member will do me the courtesy, he asked me not to interrupt him, and I didn't—

Mr. Deans: I didn't ask you that at all.

Hon. Mr. Grossman: Yes, the hon. member did. If he will check Hansard, he'll see he said, "You can answer me later." All right, give me a chance.

I am dealing with this in general terms in respect of the attempt to make it appear that a provincial secretary should know about everything that is going on in seven ministries, which is an utter impossibility. It is an impossibility generally for a minister to know everything that is going on in his own ministry.

Mr. Foulds: Everybody passes the buck.

Mr. Deans: Another red herring.

Mr. Chairman: Order, please.

Hon. Mr. Grossman: Indeed, if the hon. member will do me the courtesy again of listening and allow me the opportunity to make my point—

Mr. Deans: I am listening. I can't believe—

Hon. Mr. Grossman: Well, if the hon. member will listen with his mouth closed, it will help a lot more.

Mr. Deans: It might not. the fact of the matter is that you are not answering—

Hon. Mr. Grossman: Well, I haven't had an opportunity, Mr. Chairman—

Mr. Chairman: Order, please. Please allow the minister to answer.

Hon. Mr. Grossman: The hon. member should read again—and I could read it for him—the quote from the COGP report as

to the proposed operations of a secretariat. It says:

> As members of the Policy and Priorities Board of cabinet, policy ministers would assume a leadership role in initiating, developing, assessing and modifying new policies and programmes.

Now that doesn't mean—indeed, it would be foolish—that any provincial secretary should attempt to deal with the specifics as they relate to specific ministries. That is what those ministers are here to do. It would be foolish in any case even if I were prepared to do it. If I were a minister of an operating department, I would resent it very much if anyone else got up and dealt with those matters which have been assigned to me by this Legislature and by the government generally.

I am supposed to do exactly what we were talking about earlier—to co-ordinate, initiate and discuss policy as it affects the whole of the government and to make sure that they are inter-related with other ministries so that the right hand knows what the left hand is doing. Then we can come in here with a policy which has been considered in relation to all of the ministries and in relation to all of their work, and deal with the priorities. The hon. member mentioned that; I will deal with that in a moment.

The hon. member for York Centre said that we haven't dealt with the so-called destruction of agricultural land. Well, of course, that is a presumption. Of course we have dealt with this; we have dealt with this in some great detail. If the hon. member hasn't heard my colleague, the Minister of Agriculture and Food (Mr. Stewart), speak publicly in this House and outside about his concern about this and say that this was being given a great deal of study, then I don't know where he has been.

Mr. Deacon: Well, you are doing nothing about it.

Hon. Mr. Grossman: We are doing a lot about it. That's where integration with the policies of other ministries has to come into play.

The hon. member will know perfectly well that he is one of those—maybe I would do the same thing if I were in opposition—who go across the country talking about the need for more housing in this province, and go someplace else and talk about the need for preserving agricultural land, and go someplace else talking about Metro Centre and the need for making sure we don't have highrise. Each problem by itself shows a great deal of concern for that particular aspect of society's problems today, but doesn't really deal with how you correlate them with each other.

Mr. Deacon: There is plenty of poor land available in Ontario on which to build houses. Why do you persist in using up the good land?

Hon. Mr. Grossman: That's precisely what we're struggling with now as we go along. I think this government has done more than any other government in the Province of Ontario in giving leadership to this particular problem.

Mr. Foulds: That is not saying much. That's not hard to do.

Hon. Mr. Grossman: At the outset, Mr. Chairman, I pointed out in my comments a very few examples of how a secretariat worked in relation to integrating policy.

A situation comes to mind where there was a steel mill going to establish in a community and it was very badly wanted by a very large portion of the citizens of that community because it would bring industry. Another large portion of the community, quite properly, also concerned themselves with the effects on the environment in the area. We had some conflicts within the policy field, as we do almost weekly, as between ministers who have their special responsibilities. In this case it would be Industry, it would be Agriculture, it would be Environment. And that had to be resolved.

As a matter of fact, it was resolved, in that we told the owners that they could not establish there. We would do everything possible to find another location for them.

Mr. Deacon: Must be Atikokan.

Hon. Mr. Grossman: The last I recall, we have found some suitable place for them and they will establish someplace else. If you want me to spend five or six days—

Mr. Deans: When did that announcement come out?

Hon. Mr. Grossman: —going into all the results of all the discussions we've had on many of the policy issues we've had to resolve, I could do that. But again, you could argue that they're sitting there—and maybe I would do the same thing—and all they're doing is trying to justify the fact that somebody provided a job for them. As a matter of fact, that's what the hon. member for York Centre suggested, and it would be interesting to know what he meant by that.

He said something about the secretaries being really just established for the purpose —and I'll try to quote him verbatim—

Mr. Stokes: To find jobs for your friends.

Hon. Mr. Grossman: —of "giving jobs to friends." I don't know what that means. First, there's an assumption that there are friends who have been given these jobs. There's an implication there that the Committee on Government Productivity, with all of the distinguished citizens who have served on it—

Mr. Deans: I met John Cronyn.

Hon. Mr. Grossman: —recommended this system so that the government would have a place to look after its friends. I don't know what he's referring to. It may make him feel a little happy that he's filled in a few words in his speech, but it's mean; just mean.

Mr. Foulds: Besides, maybe the member for York Centre doesn't have any friends.

Mr. Deans: I met John Cronyn at the Hydro inquiry.

Hon. Mr. Grossman: He also dealt with Armstrong, just in a passing way, and he said we should concern ourselves more with doing something about it. I'll talk to him about that.

Mr. Deacon: I think more than in passing.

Hon. Mr. Grossman: The point he was making was that we shouldn't provide some sort of make-work operation or make-work industry to keep Armstrong going. I think that's what he was saying.

Interjection by an hon. member.

Hon. Mr. Grossman: I'll tell the hon. member, if that's the last resort, and that's all we can find for them, I'd be happy to find that. Because even make-work, as he calls it, is better than just handing out welfare cheques.

Mr. Deacon: Well, there isn't—

Hon. Mr. Grossman: And that's precisely what may happen. It would be much better, rather than taking the approach the hon. member did, that after all, if the Ministry of National Defence of the federal government has decided it no longer needs a radar base it should close them up. That's the import of his words—close them up, because you don't want to have make-work. I don't disagree that if you no longer have any use for a base it should be closed up, but, damn it, the federal government should have started to think, two or three or four years ago when they started a programme of closing down radar bases—

Mr. Foulds: Which started in 1961.

Hon. Mr. Grossman: —about making some arrangements then, well in advance, for the people in that community. Because the people are important there.

Mr. Foulds: They could have started to plan in—

Hon. Mr. Grossman: All that's really happening now is that we're running around like chickens on a hot griddle in the last moment, in the 11th hour, trying to find some damn way to keep the federal government from closing them down on D-day regardless of what happens to the people.

Mr. B. Newman (Windsor-Walkerville): Tell us about Burwash.

Hon. Mr. Grossman: —and given us an opportunity to do something, instead of pulling out and saying: "Well, the provincial government will have to deal with those people—the hell with them." That in fact is what has happened.

Mr. B. Newman: Tell us about Burwash.

Hon. Mr. Grossman: I don't know how Burwash has anything to do with my— Do you want me to talk about Burwash? I would love to, because the hon. member knows I had to deal with that for eight years. All I can do is just repeat what my colleague, the Minister of Correctional Services, did in fact point out; that for years I was hammered here when I was Minister of Correctional Services with, "Why don't you close down that place?" Of course, the hon. leader of the NDP forgot he had made those statements in the House.

Mr. Deans: No, no.

Hon. Mr. Grossman: They were playing it both ways. "Close down the place," they said, and the member for Sudbury kept saying: "Look, you have got to look after the employment of these people. You can't close down the place." As a matter of fact, all correctional people across this province recommended its closing and I agreed with them, and I started to close out those isolated correctional institutions. I agreed that

it's no place to keep inmates of correctional institutions, far removed from any relatives or friends so a mother or father or sister or brother could never come and visit them.

However, we are getting into another policy field.

Mr. Chairman, I don't think the hon. member for Wentworth misunderstands what the secretariats are supposed to do. As he said, he agreed with it in principle, and when he read the COG report I think he said he agreed with the system that they were recommended. Well, if he reads again their terms of reference, he will see what he is suggesting is that we should go away out beyond that.

Mr. Deans: Read that slowly and let me respond to it.

Hon. Mr. Grossman: Well, if I have an opportunity before our time expires—

Mr. Deans: You missed a very key phrase.

Hon. Mr. Grossman: In fact we don't make policy for the whole government and that's not what the COG report recommends.

Mr. Deans: Nobody asked you to.

Hon. Mr. Grossman: That's what the hon. member said.

Mr. Deans: No, I said—

Hon. Mr. Grossman: We do—that's exactly what we do.

And he referred to priorities. Priorities is an area where the policy field committees are very important. That is where, in fact, we have a great deal of influence on policy making because we deal with priorities.

For instance, we have just finished an exercise recently where we dealt with I think it was about 130 new policy initiatives of the various ministries within our policy field. We had to make a decision on priorities because there are all sorts of implications involved, particularly money. We had to deal with them within the context of a multi-year programme. That is where our policy field dealt with priorities, and we put our priorities forward to the Management Board, priorities board and to cabinet as to how we felt those priorities should be. There wasn't complete agreement in many instances but we did deal with them and we made recommendations as to one, two and three priorities. That is an exercise which has taken a tremendous amount of time.

I didn't mention it in the outset of my remarks, but if there are no other reasons, the hon. members I am sure appreciate that in modern society, with the tremendous number of problems we have to deal with today, it would be impossible for any cabinet to deal with all of those problems in any depth at all. If for no other reason, the secretariats are very important. The policy field committees are very important so they can go through some of this proposed legislation and policies and so on in greater depth so that the cabinet would have more time for general overall policies rather than go into the detail of each policy and each piece of legislation which is presented presently through the policy fields.

The member asked if we had any co-ordination with other policy fields. We have. There is, for example, the hon. member for Hamilton—

Mr. T. P. Reid (Rainy River): Mountain.

Mr. Deans: West. It has to be Hamilton West, because the member for Hamilton Mountain (Mr. J. R. Smith) is not capable.

Hon. Mr. Grossman: Hamilton West. The Minister without Portfolio from Hamilton West (Mr. McNie) was the liaison between our committee, our policy field, and the Social Development policy field. He is responsible for the liaison with respect to manpower between the two policy fields. There is no concern about the interrelationship as between the ministries and the secretariats. That has been resolved.

We have at our committees a representative of TEIGA, because TEIGA is a sort of an all-embracing thing. It's involved in practically everything we do. We have a representative of Management Board who attends everyone of those meetings. They have a representative from the cabinet office.

I suppose it's too much to expect from the opposition in our Legislature, but the government should be commended for taking that step, because it was something new; it was something very difficult to even attempt. And this government has taken leadership in Canada in respect of this new structure of government. Of course, there has been a lot of trial and error.

Mr. Reid: That is why the ministers change every week.

Hon. Mr. Grossman: That may be, but I would recommend to you that author, who the members for Riverdale suggested was a second-rate author – although I think his would be more interesting reading than any books that the member would write.

Mr. Deans: That is pretty petty.

Mr. Foulds: On a point of personal privilege on behalf of the member for Riverdale—that is slander.

Hon. Mr. Grossman: All right. I commend Alvin Toffler's book to him as to the need for rapid change—

Mr. Foulds: The fact is that the minister cannot read, and he resents it.

Hon. Mr. Grossman: as to the need for quick and rapid change within government structures, as well as the private sector because. What we used to be able to take five or six years to do, now has to be done within a matter of months, and may even become obsolete by the end of that time. It is one of the problems that all governments have to struggle with today. You can argue what degree of success we're having with it if you like, but I'm saying that at least we are taking the steps any reasonable person would expect a government to take today that is alert to the needs of the times.

I'm sure when the hon. members opposite are in some other jurisdictions and they see what's happening there, they probably say: "You should come to Ontario and see the structure of government we have there. It's one of the best in the world."

Mr. Deans: I wouldn't bet on that.

Mr. Reid: And they're disappointed when they look at the front benches.

Hon. Mr. Grossman: I'm not so sure.

Mr. Deans: I wouldn't bet on that.

Hon. Mr. Grossman: I'm sure you wouldn't. I always tell them, and I'm sure most of the members here do, about our Legislature and the way we do it here; that the opposition is entitled to do so and so and they do their job. And every minister has to make sure when he comes forward here that everything he says, everything he writes, he does—if he's smart—as if there's an opposition member looking over his shoulder. The greatest thing—

Mr. Deans: What a nice opposition you have.

Mr. Reid: Oh, you're not blaming us for that stuff you hand out to the press.

Mr. Chairman: Order please.

Hon. Mr. Grossman:—for a democratic society is a good opposition. Now, I tell them we have a good opposition; and I also tell them we hope they keep staying over there, because they're so good at it.

Mr. Deans: I gathered you might. Now would you tell us what you do?

Hon. Mr. Grossman: The hon. member knows that perfectly well. I don't intend to get into an argument about the debate here on the Algonquin forest policy. There were many errors of fact which the hon. member—well, you can't have an error of fact; it's either a fact or it isn't—many errors he made in attempting to produce facts in respect of outcome.

Mr. Deans: All right. Tell me what they were.

Hon. Mr. Grossman: That is the responsibility of my colleague, the Minister of Natural Resources and he will deal with it.

Mr. Deans: Tell me what they were.

Hon. Mr. Grossman: He will deal with them. The Minister of Natural Resources will deal with it.

Mr. Deans: Tell me what the errors were.

Hon. Mr. Grossman: No, I'm not going to be sucked into that. I've been around too long. I've been around too long to get sucked into that—

Interjections by hon. members.

Hon. Mr. Grossman —and to have you create a cleavage between myself and my colleagues because we have a working relationship.

Mr. Deans: You don't even know about the policy.

Hon. Mr. Grossman: We have a good working relationship; and they do their job and I do mine—and we do it well together.

Mr. Deans: Well, then, tell me about the errors.

Interjections by hon. members.

Mr. Chairman: Order please, the hon. minister has the floor.

Interjections by hon. members.

Mr. Chairman: The hon. minister still has the floor.

Hon. Mr. Grossman: In that respect, I could suggest to the hon. member that if he is sug-

gesting that we're not really concerned with Algonquin Park—

Mr. Deans: I am in error?

Hon. Mr. Grossman: Of course you are in error. I think it was the hon. member for York Centre who suggested, or at least very strongly implied, that we should have done something—or was it the hon. member for Wentworth? — about Lake Erie years ago, instead of allowing a little bit of pollution.

Mr. Deans: Oh yes, that is an example of what could be considered.

Hon. Mr. Grossman: Sure it's an example. It's an example of Monday morning quarterbacking. All of us in this House—

Mr. Deans: What are you talking about? Are you incapable of understanding anything?

Hon. Mr. Grossman: Just hold your horses.

Mr. Deans: I said that having recognized the errors that were made, don't make similar errors in Algonquin Park.

Hon. Mr. Grossman: We're not making similar errors.

Mr. Deans: You don't know what you're talking about.

Mr. Chairman: Order please.

Hon. Mr. Grossman: And that's one of the reasons it gives you an opportunity to complain about delay, because we want to make sure we make no more errors in those areas. And the hon. member should know—and if he doesn't, I'll tell him, and if he doesn't believe me, he can check it out—that the conservation people, people who are concerned with pollution and that sort of thing, who make it their main thrust, will tell you that in this country, Ontario is in the forefront.

Mr. Deans: What has that got to do with anything we are talking about?

Hon. Mr. Grossman: That has a hell of a lot to do with it, because—

Mr. Chairman: Order.

Hon. Mr. Grossman: —you are accusing this government of not being concerned about it, or doing anything about it—about the environment and about pollution. We are in the forefront. As a matter of fact—

Mr. Renwick: That is the most irrelevant argument you have ever presented.

Mr. Deans: It is verbal gymnastics.

Mr. Chairman: Order please. Allow the minister to continue.

Hon. Mr. Grossman: I wonder if the hon. member realized how difficult it was for me, with my low boiling point, to listen to a lot of the junk that he was pouring out.

Mr. Deans: Then tell me what was junk.

Hon. Mr. Grossman: Why don't you sit there and listen?

Mr. Deans: Tell me what was the junk.

Hon. Mr. Grossman: As a matter of fact, Mr. Chairman—

Mr. Chairman: Order please.

Mr. Deans: It is all through your minister's statement.

Hon. Mr. Grossman: Mr. Chairman, one of the best known and largest environmental groups in this province—they are in the forefront of prodding governments, including ours, from time to time—said quite bluntly when I told them in one instance that I thought that perhaps it might be a good idea to go first to the federal government on a matter which, in my view, really should have concerned the federal government first. They said, "Well, we are coming—

Mr. Renwick: That is your normal answer to everything.

Hon. Mr. Grossman: —"to you because you are recognized as being the jurisdiction which listens and really is in the forefront. We expect you to give leadership, even to the federal government, because of your record in the field of conservation and your concern about pollution."

Mr. Renwick: Oh, come on!

Hon. Mr. Grossman: That's exactly what was said.

Mr. Reid: Tell us who that was, and we will get him.

Hon. Mr. Grossman: I can't remember the name.

Mr. Renwick: That pseudo-rhetoric is not the answer for the policy deficiency of your party.

Hon. Mr. Grossman: Who told you that?

Mr. Chairman: Order please.

Hon: Mr. Grossman: It is called the National Survival Institute. I am just reminded of the name.

Mr. Renwick: It is very difficult to keep order when you have to listen to this.

Mr. Chairman: The hon. minister has the floor.

Mr. Reid: You mean you are connected with the survival institute?

Hon. Mr. Grossman: I am; and you know why, don't you? Well, that must mean that you are either saying that the public doesn't know what they are doing—

Mr. Reid: They are talking about it in cabinet.

Hon. Mr. Grossman: I go back to the public every four years, you know. If I didn't do a job right, they would have turfed me out.

Mr. Deans: Is the minister wasting his time or something? Didn't you know—

Hon. Mr. Grossman: I didn't know that the hon. member was going to speak. I would have waited and replied to him. I am sorry.

Mr. Chairman: Order please, the hon. minister has the floor. The member for Rainy River has a question.

Mr. Foulds: On a point of order, Mr. Chairman, the last speaker before the minister was a Liberal, the member for Kent.

Mr. Chairman: I think the minister will be replying later. The member for Thunder Bay.

Mr. Stokes: Thank you, Mr. Chairman, there are a few things I want to say concerning the administration of this secretariat. I am not going to be as critical of what the secretariat is attempting to do as the two former speakers. I happen to think that there is a very great opportunity for this secretariat to do the things that the COGP envisaged they might do. I don't see too much evidence of success up to this point, but I still see some opportunity to come to grips with the very complex problems you referred to earlier.

In answering my colleague, the member for Wentworth, the minister said he wasn't responsible for specific problems that relate directly to a particular ministry. But I think that I must caution the minister that there were many, many things that were going on and are still going on within the ministries in his policy field that were completely inadequate. I want to refer to three or four of them in a very brief and very concise way.

I am talking about the timber inventories that were supposed to be kept up to date. The timber industry is the underpinning of the economic life and survival of northern Ontario. Heretofore they have had a good margin of error and they were able to be a little bit negligent in inventories because they did have a good deal of elbow room. Such is not the case now. We are getting much closer to the allowable cut in certain species than we ever were before. We can't sit by and say: "Well, we have a good margin of error, lots of room." We haven't got that room; Armstrong is an excellent example of it.

I think that this minister as the policy minister for resources development can call in his colleague, the Minister of Natural Resources, and ask him: "What is the allowable cut of a particular species in a given area?" If he has been truthful, he won't be able to tell you, but I think these are the kinds of questions this minister has to be asking his colleague, because the survival of many of the communities in northern Ontario depends upon the ability of this government to know what is going on in the resources field. They haven't had to know up to this point, but that is changing very rapidly.

I think it is incumbent upon this minister to say: "We can look after a lot of the social and economic problems in many areas of the province if you can provide me with that detailed information—a realistic inventory of what our resources are and whether they are going wasted and the use to which they could be put to satisfy some of the social and the economic problems facing people in this province." That is the kind of thing that I see this ministry doing.

Hon. Mr. Grossman: I don't disagree with that at all.

Mr. Stokes: I also want to say to the minister and his secretariat that another area that they should concern themselves with is in the field of mining. There has been a good deal said in this Legislature and in committee down the hall about the environmental and health problems facing many employees in many locations in the mining industry today. Because of a lack of co-ordination and a lack of co-operation between the former Department of Mines, the Ministry of Health and the Ministry of the Environment, we have people who worked in the mining industry who are suffering

untold harm to their health as a result—the left hand not knowing what the right hand was doing.

In a recent interview with two former ministers of mines, they both admitted that in the past that ministry has been to too far great an extent management-oriented or company-oriented rather than employee-oriented. They made that clear admission. I think that this minister again can perform this function of co-ordinating what one ministry should be doing vis-à-vis another. It is clearly evident to me and I am sure it is clearly evident to the minister that that hasn't gone on before.

Hon. Mr. Grossman: It also might be possible it may have emanated from the policy field, you know.

Mr. Stokes: It just might have, but, as I say, I don't see any evidence yet of any concrete action to come to grips with either of those problems and I am hoping that those are two of the areas that can be gone into.

In another area where I think you should concern yourself, the Ministry of Transportation and Communications is going to have to play a very vital and important role in coming to grips with a lot of the problems, not only in northern Ontario, but almost anywhere you want to name throughout the province. If you don't have adequate transportation and communications policies, a lot of the other things you are attempting to do are going to fall down, particularly in the resources field.

If we are talking about maximum utilization of our forestry resources, we are going to have to have an adequate transportation and communications network. The same thing holds true for making maximum use of our mineral potential, and for tourism in the Province of Ontario. If we don't have access, we are not going to be in a position to capitalize on those and exploit them in a realistic way.

I would also like to ask the minister about one specific item that I raised with his colleague, the Minister of Natural Resources, and that is the rehabilitation of many areas that have been despoiled as a result of past activities with no regard for environmental, social and long-range econmics consequences. I am thinking specifically of the rehabilitation of Lake Nipigon.

I don't know how closely you sit in and monitor what is said in the estimates of the various ministries within your policy field, but there was a commitment made by your colleague, the Minister of Natural Resources, to assist us and to assist a committee that has been formed specifically for the rehabilitation of Lake Nipigon. You have a copy of a letter on your desk that was directed to you within the past week. This is the kind of co-ordinating function in which you can become involved, where you are dealing with the Ministry of Natural Resources, the Ministry of Energy, Ontario Hydro and agencies of several ministries that are going to have to co-ordinate their efforts in a very real and very sensible way if you are going to come to grips with this major problem.

Lake Nipigon is just one example, but it is an excellent example of the kind of co-ordinating function that you can perform in order to see that a very worthwhile undertaking like this does get on the drawing board and on the way.

Hon. Mr. Grossman: Lake St. Joseph is another example.

Mr. Stokes: That's right, although in that case we are not talking about the rehabilitation of Lake St. Joseph; we are talking about the establishment of a brand-new industry there. There again, it is well that you see what the consequences are in advance of any development being done and you are able to monitor it and make sure there are no detrimental changes in an environmental way.

The final thing that I want to mention is that there are many areas of the north where some of our industries are having extreme difficulty in recruiting the kind of people that are absolutely essential for their operations. I suppose you are going to have some difficulty with the social development policy field, as well as with the federal government if it means a change in immigration policies. But if we are going to aspire to the kind of development that we want in northern Ontario, you are going to have to impress upon your colleagues, not only within your own policy field but in other policy fields, to redirect their efforts towards retraining people in the kinds of skills that are going to be necessary in order to make sure that we have an adequate manpower supply for the mining and forestry industries and for many of the things that we are attempting to do.

It is not an easy matter. As I say, I suppose you are going to have some difficulty in view of the announcement made by the federal Minister of Manpower and Immigration; but it is a definite problem and I think it is one that you could busy yourself about to see if you couldn't take on the co-

ordinating role of assisting industry to get the kind of manpower they are going to need in order to keep things going and to expand to the extent that we would like in northern Ontario.

I don't want to take up all of the time. I have taken up about six or seven minutes; I could say much more. I want to think in positive terms for this Resources Development secretariat. I see lots of work for you to do. I have just given you a few examples of the kinds of things, the kinds of initiatives I think should be taken. At a later date perhaps we will have an opportunity to discuss it in more detail.

Hon. Mr. Grossman: Mr. Chairman, I will just take one second.

I started to write down those matters which the member enumerated. As he went along, it became apparent that these are matters which we are dealing with at the policy committee level. I said, I will wait until he makes some comment about something we haven't touched on. Honestly, I can't. I can assure the hon. member that all of those matters that he has raised are being dealt with.

Mr. Stokes: But it is not apparent to us over here.

Hon. Mr. Grossman: No, I know that, and at the outset I said that is the problem.

Mr. Stokes: We either have a right to assume that you are not doing it or that you are not being too successful.

Hon. Mr. Grossman: If the hon. member can resolve that problem for us, as a provincial secretary I'd give him the equivalent of the Canadian croix de guerre because I appreciate that.

It is not visible and you mentioned that at the outset. We are doing all this work. I'm not certain how we can at the same time let you know that we are doing it and what we are doing about it and still let you know what the government is considering and what government policy is going to be before the government makes its decision. I think this thing has to open up as we go along in some way. It is not as simple as that.

Mr. Stokes: We could help you, if you want to take us into your confidence.

Hon. Mr. Grossman: How can I advise the member that I am taking something to cabinet next week, or that the recommendation is going to cabinet, if cabinet hasn't considered it at that stage? It would be highly improper. Maybe cabinet will turn it down or amend it; I don't know.

It is very difficult. I appreciate that. All I can say is that if the hon. member asks me a question and I give him the answer, he can rest assured that no ministers will give him an incorrect answer or an answer which isn't truthful. I can tell him that the matters which he has raised specifically have all been under constant consideration and things are being done about them. The only way he can find out specifically is to ask the particular minister a particular question when he is in the House and he will tell you where that stands from his own ministry's viewpoint. I wish I could do it another way. I can't think of one.

Mr. Chairman: The hon. member for Rainy River.

Mr. Reid: Thank you, Mr. Chairman. I don't know if I have time to cover the material I want to, but specifically what I want to speak to the minister about in this instance is Atikokan and the problems that are going to face that community. I was glad to hear the minister indicate that they had been working on the case of Armstrong and were concerned and felt that they had some kind of responsibility in cases such as this.

I corresponded with the minister in regard to Atikokan at some length. As a matter of fact, I just signed a letter to him today in regard to the proposed hydro-electric thermal plant that will be built somewhere in northwestern Ontario. I would bring to the minister's attention that we had a meeting in Atikokan—I believe it was on Oct. 10—which some Ontario Hydro officials attended to get the public reaction of the people of Atikokan to having that thermal plant in their environment.

I want to state publicly, and I have written a letter—I don't know if the minister got a copy, but the Minister of Energy did—to say I was quite pleased with the performance that the Ontario Hydro officials put on. I have often been critical of Hydro, but in this case I thought they did a first-rate job. Specifically, what I want to say to the minister is this, that his policy group has an opportunity to show just what it can do and should be doing, in the case particularly of the thermal plants. As Atikokan stands in the next five to 10 years, there is a very good possibility that one of the mines will pull out of the community because of lack of easily accessible ore or high-grade ore.

This is a possibility for your ministry to set priorities, to say to Ontario Hydro, that

as an economic device it is going to put this plant in Atikokan to stabilize the population, to provide employment opportunities for the people in that area, and to maintain the viability of this community. I think this would be a departure from the way Ontario Hydro has operated in the past and I would hope that the minister would give some consideration to this.

Are we intending, Mr. Chairman, to continue these estimates next week?

Mr. Chairman: I was going to ask if vote 1601 would carry.

Mr. Reid: When will we be continuing?

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Mr. Chairman, I think the agreement that has been reached among the House leaders pretty well stands as far as I am concerned. The hon. member might discuss that with his House leader.

On Monday, as I announced last evening, we will be dealing with the no-confidence vote; in the evening we will be dealing with the estimates of the Provincial Secretariat for Social Development.

Mr. Deans: Mr. Chairman, if I may, my recollection was that we agreed to one sitting; it was spelled out in hours, but in fact we agreed to one sitting. I assumed this was the sitting and that it would end at 1. I have no objection to an extra half hour, but I certainly do agree with the House leader this time. We agreed to a sitting and I am quite prepared to have it passed.

Hon. Mr. Grossman: You could discuss that in the estimates of the Ministry of Energy.

Hon. Mr. Winkler: In any event, I wish the member would discuss the matter with his House leader.

Mr. Reid: Well, Mr. Chairman, I will be doing the estimates of the Ministry of Labour next week. I think I have made my point. The minister has the letter. I am willing to let the vote carry.

Hon. Mr. Grossman: You made your point.

Mr. Chairman: Shall vote 1601 carry?

Vote 1601 agreed to.

Mr. Chairman: This completes the estimates of the Provincial Secretariat for Resources Development.

Hon. Mr. Winkler moves that the committee rise and report.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report it has come to certain resolutions and asks for leave to sit again.

Report agreed to.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Mr. Speaker, before I move the adjournment of the House, I think it's quite clear that the business of the House at the beginning of the week is as I announced it last evening. I would simply like to say that we have reached agreement that on Monday during the debate we will limit ourselves to half an hour for the leaders or the major spokesmen for the parties and 10 minutes for any other member who wishes to participate.

Hon. Mr. Winkler moves the adjournment of the House.

Motion agreed to.

The House adjourned at 1:05 o'clock, p.m.

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No. 103



Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Ninth Legislature

Monday, October 28, 1974

Afternoon Session

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

THE QUEEN'S PRINTER
PARLIAMENT BUILDINGS, TORONTO
1974

10

Price per session, $10.00. Address, Clerk of the House, Parliament Bldgs., Toronto

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, OCTOBER 28, 1974

The House met at 2 o'clock, p.m.

Prayers.

Mr. Speaker: Statements by the ministry.

Oral questions.

TEACHERS' SUPERANNUATION FUND

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, I'd like to ask the Treasurer what is the justification for the transference of $70 million from the teachers' superannuation fund to the consolidated revenue fund for the province at an interest payment of, I believe 8.06 per cent, when he is prepared to pay more than two per cent more than that, on a long-term basis, to borrow money on the regular markets available to him, both here and in the United States.

Wouldn't he agree with the contention from the teachers' professional organizations that that simply means they are put in a position where, unwillingly, they are subsidizing the rest of the taxpayers of the province?

Hon. J. White (Treasurer, Minister of Intergovernmental Affairs): Mr. Speaker, I'll take this question as notice.

Mr. R. F. Nixon: A supplementary: I wonder if the Minister would, as well, inquire into the circumstances which led him to transfer the money to the consolidated revenue fund before the superannuation commissioners had even given their approval for the transference.

Mr. M. Shulman (High Park): Cash in and cash out.

LOOSENED WARRANTS FOR MENTAL HOSPITAL PATIENTS

Mr. R. F. Nixon: I would like now to ask the Minister of Health if he has any statement to be made as to the means of control available to him in conjunction with his colleague, the Attorney General (Mr. Welch), for those people who are given, loose warrants I believe they are called, from Penetanguishene. This is with direct reference to the case I raised in the Legislature on Friday, in which a former patient of Penetanguishene had been put back in the community of Brantford. Unfortunately, four months later he committed a murder; he has just been on trial for that, found guilty, and subjected to life imprisonment.

Hon. F. S. Miller (Minister of Health): Mr. Speaker, any time a person who is on a loosened warrant, or in fact anyone who is released from hospital following a mental illness and commits any kind of a crime, we are very concerned about it. The big danger is that we will jump to the conclusion that no one should be released. In fact, in reviewing the statistics I found that less than 10 per cent of the people released on loosened warrants have had to be readmitted to hospital.

I am concerned, as the member is, about the apparent lack of contact between this particular patient and hospital facilities. Yet I have been told by staff, who were in contact with this person and fully understood his illness, that the diagnosis not only made by them but by other psychiatrists on this particular patient was such that they had confidence in him, and felt that he was safe to operate within the community. Therefore his loosened warrant had fewer conditions attached to it than many others.

Mr. R. F. Nixon: Supplementary: Wouldn't it have been prudent, however, to inform the local police officers so that when, in fact, he came before them on three occasions during the four-month period they might have at least had the right to inform the psychiatrists and other experts in the field that further supervision was necessary?

Hon. Mr. Miller: Mr. Speaker, it has not been customary to advise the police when a person is released from a mental hospital on a loosened warrant. In other words, this was not an exception to the rule; this man was not ignored when others were automatically informed on.

I'm looking into that aspect, because that's one that interests me. I think the question needs to be posed: "Should they or shouldn't they?" But again, based on expert psychiatric

evidence, there was apparently no concern that this would happen.

Mr. R. F. Nixon: Further supplementary: I would trust the minister would give us a further report on this when he has all the facts. Would it not concern him that even though the person under discussion was in the community on a loose warrant—is that what it's called?

Hon. Mr. Miller: Loosened.

Mr. R. F. Nixon: Loosened warrant—there were certain requirements associated with that warrant which evidently were not being fulfilled? Shouldn't there be someone, responsible indirectly to the minister, who is prepared to follow up on a fairly regular and careful basis at least for a reasonable period of time?

Hon. Mr. Miller: Well Mr. Speaker, the term "loosened warrant" means one that allows the person out of the particular institution into which he was placed. In other words, you are either under a warrant and in an institution, or on a loosened warrant in the community; so this is not a loose warrant compared to other warrants. Do you understand that difference? In this case a loosened warrant allowed this man to return to the community for rehabilitation therein.

The other issues I am actively looking at at this point in time.

Mr. Speaker: Any further questions?

Hon. Mr. Miller: I'll be glad to make the information available. I assume the member will ask me.

Mr. R. F. Nixon: Supplementary, Mr. Speaker: I wonder if the minister would undertake to table a full report of this incident. Certainly it has importance in my community and I think it has a bearing on similar incidents or similar circumstances across the province. I believe the information ought to be made public as far as is possible.

Hon. Mr. Miller: Mr. Speaker, rather than giving a full report on a specific person, I think we need to look at the general rules that apply to persons on loosened warrants.

Mr. R. F. Nixon: Will he make a report to the House in this regard?

Mr. Speaker: Any further questions?

INSULIN SUPPLY

Mr. R. F. Nixon: I would like to ask a further question of this minister. Would he comment on this strange development between Connaught Laboratories, and I think Canada Packers, which seems to have many people who require insulin quite deeply concerned that the supply of that drug and certain other medications might either be in jeopardy, or the price may change in such a way that it would certainly be in anything but their best interests.

Hon. Mr. Miller: Mr. Speaker, I have to get more information on this. I only know that Connaught Laboratories was bought, I believe, by Canadian Development Corp. this year, which I believe is financed by the federal government, is it not?

Mr. J. A. Renwick (Riverdale): Then this government should never have allowed it to take place.

Mr. R. F. Nixon: It's the minister's money and mine.

Hon. Mr. Miller: It's his money and mine; his government.

Mr. R. F. Nixon: My government?

Mr. T. P. Reid (Rainy River): Our government.

Hon. Mr. Miller: Let them have it their way. I am not too sure I want to admit to it.

Hon. E. A. Winkler (Chairman of Managemen Board of Cabinet): The election is over, fellas.

Hon. Mr. Miller: In any case, I understand there have been two increases in the price of diabetes during the present year. There are some negotiations going on at the present time with the federal government.

Mr. R. F. Nixon: Diabetes has always been expensive.

Mr. J. E. Stokes (Thunder Bay): I think it was the price of insulin that went up.

Hon. Mr. Miller: —and I understand they are having some meeting on Nov. 28 to discuss stabilization of price.

CONDOMINIUM APARTMENTS

Mr. R. F. Nixon: Mr. Speaker, I would like to ask the Minister of Housing if he is as concerned as are some others at the rate at which apartments are being changed to a condominium-type of financing, which is

going to put more and more apartments out of availability for people on limited incomes? Can he give an indication as to the rate of this change; and if, in fact, he is going to have some regulations which will enable him or his ministry to have some control of it?

Hon. D. R. Irvine (Minister of Housing): Mr. Speaker, this matter has been under investigation by myself and my ministry for some weeks now—since the time I was acting minister and now as Minister of Housing. We have found in some areas the conversions have not been of any significance whatsoever. There is one particular part of Metro Toronto, though, that is of some concern to us.

Mr. M. Cassidy (Ottawa Centre): That's right.

Mr. S. Lewis (Scarborough West): It certainly is.

Mr. Cassidy: The thin edge of the wedge, too.

Hon. Mr. Irvine: At the present time we are funding a study, in co-operation with the mayor and council of that particular borough, to determine the effects of the displacement on the families who have rental accommodation and then are forced to find other accommodation.

Mr. Cassidy: The people being kicked out will sure be grateful about that.

Hon. Mr. Irvine: We do have figures throughout Ontario that show there really is no significant conversion factor at this time, except as I mentioned, in the one area of Metro Toronto.

Mr. Cassidy: There were several thousand applications; that is significant.

Hon. Mr. Irvine: I would be pleased to inform the House later this week as to the latest figures; which I haven't got with me today.

Mr. R. F. Nixon: Supplementary: Does the ministry have the power to regulate this in any way, or is the ministry simply in a position to gather information and report it? Surely in those areas where it is going to be a substantial hardship there ought to be some power of regulation so that it will not mean a translation in the terms of rental to the much more expensive one-shot payments necessary, which are going to dislocate large segments of the Metro Toronto population.

Hon. Mr. Irvine: Mr. Speaker, to the hon. Leader of the Opposition, the procedure used in the past has been that conversions have been allowed through the Planning Act. What we are asking now is for the municipalities to inform us in writing as to whether or not they wish to have this conversion take place—in the past this was not a requirement. We are also asking them to inform us as to the numbers of families that will be displaced, at what income—if they can find this out—and also as to what they feel we can do to assist, along with municipalities, the families for rental accommodation.

Mr. Lewis: Just build some houses.

Hon. Mr. Irvine: Now we are finding that this method of investigation has been quite satisfactory to those who are elected in this area, and we think the meetings we have had with those—

Mr. Cassidy: The Tories don't care about families needing accommodation, that is what the minister means. That is darn true.

Hon. Mr. Irvine: —who have had their rental accommodation converted into condominiums have been quite satisfactory to both concerned, the ministry and themselves.

Mr. Lewis: Oh come on; the government can't throw people out of rental accommodation.

Hon. Mr. Irvine: We certainly feel there is not sufficient indication at this time—

Mr. Speaker: Order please. The minister has the floor.

Mr. Lewis: My friend the minister is so right wing he should be sitting in the corridor.

Mr. J. A. Taylor (Prince Edward-Lennox): And the leader of the NDP is so left wing he should be in the Kremlin.

Hon. S. B. Handleman (Minister without Portfolio): I hope Hansard got that.

Hon. Mr. Irvine: There is no necessity at this time for legislation to take away the rights of persons to convert a building, if they should so wish, in regard to whether it be a rental or a condominium unit.

Mr. Cassidy: A supplementary, Mr. Speaker.

Mr. Speaker: The member for Ottawa Centre with a supplementary.

Mr. Cassidy: A supplementary to the minister, Mr. Speaker: Considering that families

are the least able in general to pay for accommodation because of the expenses of having children and so on, what additional steps is the ministery willing and able to take in order to stop the increasing trend towards the creation of all-adult buildings or all-adult floors and the discrimination thereby entailed against families and against young people and children?

Hon. Mr. Irvine: Well Mr. Speaker, whether it is a supplementary or not doesn't make any difference, I would like to answer it because—

Mr. Taylor: He wouldn't know the difference.

An hon. member: It isn't a supplementary.

Hon. Mr. Irvine: —the hon. member apparently doesn't know what we have been doing to supplement the supply—and we have done a lot to supplement the supply in the last few weeks.

Mr. Cassidy: Yes.

Hon. Mr. Irvine: If he would pay attention to what the government is doing, he might be aware of the fact that the supply will be there.

Mr. D. C. MacDonald (York South): They paid attention in the minister's neighbouring riding to the east.

Mr. Cassidy: The housing starts are going down every week.

Hon. Mr. Irvine: Mr. Speaker, the supply will be on hand for all those wishing accommodation—rental accommodation, condominium accommodation, home ownership or whatever the case may be.

Mr. Lewis: We are going to be 20,000 units down in Ontario this year. Is that called increasing the supply?

Hon. Mr. Irvine: I think it's about time that the socialist member from Ottawa understands that this government is well aware of the problems of the people—

Mr. Cassidy: The government is not doing a damned thing about it.

Hon. Mr. Irvine: We are going to do a lot for them—and we have done a lot for them.

Mr. E. Sargent (Grey-Bruce): A supplementary, Mr. Speaker.

Mr. Speaker: The member for Grey-Bruce with a final supplementary.

An hon. member: It took the member a long time to become aware.

Interjections by hon. members.

Mr. Sargent: Mr. Speaker, I hope the minister knows what he is doing because we don't know what he is doing.

Mr. Speaker: Is that a question?

Interjections by hon. members.

Mr. Sargent: With regard to the minister's statement about conversions for condominiums, there is not a single apartment project going on in Metropolitan Toronto now—

Mr. Speaker: Order please. Your question?

Mr. Sargent: Is he forcing them to go into condominiums because they can't get an apartment?

Now that's a fact. There is not a single apartment project going on in Toronto now.

Mr. Speaker: Order please. This is question period.

Mr. Sargent: They have got to go into condominiums or row housing, and there are no more apartments being built.

Hon. D. R. Timbrell (Minister without Portfolio): Oh yes there are.

Mr. Sargent: No there are not.

Mr. Speaker: Order please.

Mr. Sargent: And so we have to have some sort of funds, Mr. Speaker—

Mr. Speaker: Order, please. The hon. member is debating. He hasn't asked a question.

Mr. Sargent: Will the minister let me know if he is going to make funds available for apartment building in the Province of Ontario, because there are none available now and he knows that?

Mr. Speaker: That is not really supplementary to the original question. Does the minister wish to answer it?

Mr. Sargent: Certainly, condominium conversions.

Hon. Mr. Irvine: Mr. Speaker, I would be delighted to inform the hon. member, as I said before, that we intend to increase the supply. If he has any influence with his hon. friends in Ottawa, maybe he could help us to get some more money.

Mr. Reid: It's always Ottawa's fault.

Hon. Mr. Irvine: I have asked for financing to be increased at the federal level. To this date, I have not got any increased funds.

Mr. Cassidy: Stop passing the buck. The Bill Davis government is the buck-passing government.

Hon. Mr. Irvine: I have said that the province would provide more funds than the federal government would in this fiscal year.

Mr. Cassidy: That is right; especially on housing and inflation, always blame the other guy.

Hon. Mr. Irvine: Now if the federal government doesn't recognize this as a social need, a social concern to all of us, then it's too bad. I say this concern should be recognized by the federal government; it should be recognized by the provincial government, as it has been through my ministry and through my announcements in the last few days; and it should be recognized by the municipalities.

Hon. A. Grossman (Provincial Secretary for Resources Development): There is not a drop of compassion over there for people who are hit by the housing. If the hon. member from Ottawa has compassion, why is he keeping two houses? Why doesn't he give one house up?

Mr. Speaker: Does the hon. Leader of the Opposition have further questions?

KRAUSS-MAFFEI SYSTEM

Mr. R. F. Nixon: I would like to ask the Minister of Transportation and Communications why the tour of the Krauss-Maffei demonstration system was cancelled, the tour that had been planned by the Ontario Transportation Development Corp.

Hon. J. R. Rhodes (Minister of Transportation and Communications): I am sorry, Mr. Speaker, there was an exchange going on from both sides, and I could not hear the question.

Mr. I. Deans (Wentworth): No, no, the minister's colleague—

Mr. Lewis: The provincial secretary was hurling abuse across the floor.

Mr. R. F. Nixon: I wanted to ask the minister why the Ontario Transportation Development Corp. cancelled the tour for its officials and various municipal officials to examine the Krauss-Maffei facility. Why was this cancelled on such short notice?

Hon. Mr. Rhodes: Mr. Speaker, I do not know why it was cancelled; I only learned shortly before coming here that it had been. I had no part in organizing any such tour or visit. It was done by the development corporation, so I really can't answer. I just learned shortly before coming into the House that this had been cancelled.

Mr. Lewis: Can the minister find out and tell us tomorrow?

Hon. Mr. Rhodes: I can find out, yes.

Mr. R. F. Nixon: A supplementary: I wonder if the minister could provide further information when it's available, including those who were to have attended the tour?

Hon. Mr. Rhodes: Yes, Mr. Speaker, that's no problem. There is no secret about who was attending.

Mr. R. F. Nixon: Good, and why it was cancelled.

Hon. Mr. Rhodes: The hon. member should ask some of his press colleagues. I think they were going. Did he notice I said "colleagues"?

Mr. Lewis: They say the minister is very good at one-liners.

Mr. Speaker: Any further questions by the hon. Leader of the Opposition?

The hon. member for Scarborough West.

HOUSING PROGRAMMES

Mr. Lewis: A question of the Minister of Housing: Since his housing programme is going so well and it's based on the Ontario housing action programme, what is the minister going to do about the observations of David Strachan, the co-ordinator of the Ontario housing action programme in Peel, who says that the programme there is virtually a dead duck?

Hon. Mr. Irvine: Well Mr. Speaker, I'm not aware how the statement was made.

Mr. MacDonald: The minister should take his—

Hon. Mr. Irvine: But let me say to the leader of the NDP that the programme is far from being a dead duck; the programme is very much alive. I will be most pleased to provide the House with some very interesting facts this week. At that time maybe the official opposition and the members of the

NDP will finally recognize that the government of Ontario is doing something for the people in regard to housing.

Mr. R. F. Nixon: Yes, the starting rate is lower than it was.

Interjections by hon. members.

Mr. Lewis: Further, by way of a supplementary: The minister then repudiates the statements of one of his senior employees who says: "I don't look upon it as being dead in Mississauga, but I can't help thinking it's pretty close to it." The minister indicates that's not accurate?

Hon. W. G. Davis (Premier): But Mississauga is not all of Peel.

Hon. Mr. Irvine: Mr. Speaker, let me point out very clearly that I'm talking about all of Ontario. I don't think Mississauga takes in all of Ontario yet.

An hon. member: But it's pretty important.

Mr. Lewis: That's true, it's just the centrepiece.

Hon. Mr. Irvine: What I'm conveying to the House is that I will make a statement on the overall OHAP proposals which we will have received, and at that time the members can make their own judgement.

Mr. Cassidy: I hear it's going terrifically at Moosonee!

Mr. Speaker: Supplementary? The hon. member for Wentworth.

Mr. Deans: Might I ask, even given that his programme may work, what does the minister propose to do in the interim to relieve the tremendous pressures currently being exerted by increased rents on those people who ought to benefit from the programme, and who will have at least a two-year waiting period before the programme reaches a point where there will be accommodation available to them alternative to that which they have to have now?

Hon. Mr. Irvine: Well Mr. Speaker, I think one thing we have to recognize is this, that the rents in general have not increased as much as wages have increased in the past while. In certain areas they may have increased.

Mr. Cassidy: Like the metropolitan areas.

Hon. Mr. Irvine: I want to say this to the hon. member: I have personally investigated some of the cases that have been brought before us by the news media, and I have found there have been logical decisions made in regard to certain actions that were taken.

Mr. Lewis: Always logical.

Hon. Mr. Irvine: I do not foresee at this time any reason to feel that we will not be able to increase the supply necessary to offset unusual or too great an increase in rental accommodation. I feel the supply will be there.

Mr. Deans: Where?

Hon. Mr. Irvine: We're talking about a matter of a few months, and in most cases the leases run from one to two years or more. If I find later on next year that the supply is not there—I'm quite confident it will be—and the rental factor is one which we should look at more closely in regard to legislation, fair enough, we'll do so. But at this time I do not believe that's the answer to it. I believe the answer is to make sure that we all co-operate in our efforts to make housing available to the low and moderate-income families. We're doing that.

Mr. Deans: So nothing's going to happen.

Mr. Speaker: Supplementary, the hon. member for Ottawa Centre.

Mr. Cassidy: Thank you, Mr. Speaker. Could the minister explain why, in the case of Gloucester township, the ministry is falling over itself in order to try, unsuccessfully so far, to expedite development by developers in that area, while nothing is being done to the large federal-provincial land assembly which lies in the same general area?

Hon. Mr. Irvine: Well Mr. Speaker, I think the hon. member for Ottawa Centre has again misstated something, or maybe he's not aware of what actually is happening in Gloucester. Probably he should get a little closer to the facts, and understand that there is something going on in Gloucester in regard to housing and there will be a proposal that affects Gloucester in particular.

As far as Carlsbad Springs is concerned, he, being a local member, should be well aware that the regional government and the area municipalities do not wish to proceed with Carlsbad Springs at this particular time. I think it's about time that he, as a member stood up for the people in his area and said: "Proceed with the planning as it should be." We should proceed in a logical manner, instead of wanting to proceed without giving

full consideration to what effect Carlsbad Springs will have on the other parts of the region of Ottawa-Carleton.

Mr. Cassidy: That's the government's land. I haven't heard a peep from the government, not a peep.

Hon. Mr. Handleman: The only one who wants Carlsbad Springs is the NDP candidate in Carleton East.

Interjections by hon. members.

Mr. Speaker: Order please. The hon. member for Windsor-Walkerville on the last supplementary.

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, a supplementary of the minister: In light of the fact there is a waiting list of some 1,248 senior citizen accommodations for the residents in the city of Windsor, and in light of the fact that only 60 have been accommodated in the last nine months, is the minister seriously considering the implementation of a rent supplement programme to senior citizens and to families needing accommodations in the private market and not necessarily in the Ontario Housing Corp. market?

Hon. Mr. Irvine: Mr. Speaker, what I am seriously considering is receiving the co-operation of the municipalities in general, and the member's municipality, to assist us in acquiring land for senior citizens, and for his municipality to make sure that the needs of its people are looked after by helping us to take options and get buildings on the ground, instead of having the municipality sit back.

Mr. Speaker: The member for Scarborough West.

Mr. Lewis: As a related, but separate, question: Just how many units is the minister now projecting for the year 1974, since he has had such pell-mell activity, lo these many months?

Hon. Mr. Irvine: Mr. Speaker, how many units for what does the hon. member mean?

Mr. Lewis: How many starts in 1974?

Hon. Mr. Irvine: Mr. Speaker, our latest figures for the overall programme, as I quoted only a few days ago, are expected to be around 90,000 to 95,000, and maybe more, I don't know.

Mr. Lewis: May I ask, does the minister consider this drop of 20,000 units in one year to signify an increase in the housing stock? Is that how he evaluates it?

Hon. Mr. Irvine: Mr. Speaker, this is rather a peculiar way for the—

Mr. Lewis: Well that says everything that is to be said about the minister's housing programme in Ontario—20,000 units down in one year.

Hon. Mr. Irvine: —leader of the NDP to express himself. He is, as usual, expressing himself backwards.

Hon. Mr. Handleman: It is 20,000 units up.

Hon. Mr. Irvine: What I would like to say to the leader of the NDP is this, that there are more than provincial concerns to be considered.

Mr. Lewis: Oh yes, oh yes.

Hon. Mr. Irvine: I think we have to make sure the federal government comes in with some money.

Mr. MacDonald: When this government succeeds it takes the credit; when it fails it blames the federal government.

Hon. Mr. Irvine: If we bring in the federal government, and if we bring in the programmes which we have initiated and which we have supplemented—

Interjection by an hon. member.

Hon. Mr. Irvine: —the member will find out that he is going to be delighted with our programmes; he is going to be delighted.

Mr. Speaker: Any further questions?

STUDIES ON DEATHS IN URANIUM MINES

Mr. Lewis: A question, if I may, of the Minister of Health: When a major study on the causes of death in Ontario uranium mines is done courtesy of this ministry—in this case by J. Muller, the medical consultant, occupational health protection branch, Ontario Ministry of Health—and released, as it happens, at an international conference in Europe, is that study naturally shared with the minister's colleagues who have jurisdiction in those areas as well?

Hon. Mr. Miller: Not automatically, Mr. Speaker, but staff levels of the government do exchange almost all matters of interest among themselves. The question of occupational health is one of those areas that we have talked about a great deal in the past few months, and I still place the problems of communication and of protection in occu-

pational health very near the top of my list of priorities. We have been doing a lot of work on it and I am rather encouraged that before too long we will see even more co-operation than has existed in the past.

Mr. Lewis: Then that leads to the obvious supplementary: Is the minister aware of the study on causes of death in Ontario uranium mines as it relates to lung cancer? Has it been brought to his attention? Has the minister given it his interest?

Hon. Mr. Miller: I have been given a synopsis of it and I have been given all the issues, on the radon daughters and the dust in the air and these kinds of things that are affecting both the silicosis and the cancer. While I don't know that I can regurgitate it at a moment's notice I have been made fully aware of it. I am very interested in it and within the last day I have been talking to people who have been suffering from the disease.

Mr. Lewis: May I ask, by way of a supplementary, does the minister think a colleague of his, like the Minister of Natural Resources (Mr. Bernier), should suppress a study that demonstrates conclusively that the incidence of lung cancer in the uranium mines of Ontario is in excess of three times the incidence in the equivalent population; suppress that kind of study for a considerable period of time, knowing that miners were dying every year as a result of the conditions in those mines? Does the minister think that makes sense?

Hon. Mr. Miller: Mr. Speaker, I can make no comment on that. I'm sure the minister would have a reason.

Mr. Lewis: The minister would have a reason.

Mr. Speaker: Are there any further questions?

STUDIES ON DEATHS IN URANIUM MINES

Mr. Lewis: Let me ask the Premier. When the ministers of his government have in their possession, first a study done in 1973 tabulating the deaths from lung cancer up until 1970, and now a study in 1974 released in Europe, but never here, tabulating the deaths from lung cancer up to the end of 1972, doesn't he think that something more should be done than playing about with a royal commission and not allowing the public to view the kind of documentation which his government has had and apparently never did anything about?

Hon. Mr. Davis: Mr. Speaker, I really don't know what the question is. I'm not personally familiar with the report emanating, as the hon. member suggests, I gather from Europe. I would think that if the member wishes to ask the Minister of Natural Resources a question on this matter, of course he should do so. I have no comment, as it relates to a report about which I don't know anything.

Mr. Lewis: Okay, I'll ask the Premier one further supplementary. Given all of the public focus around this issue, given the lives of the miners themselves, doesn't he think the Minister of Natural Resources has a public obligation to release the material which is so central to the whole debate, so crucial to everything we've been talking about, and so upsetting in its contents? I now understand that it is the reason for the minister's capitulation on this issue months ago. I must say that I didn't understand it then, but he had these figures and nobody said a word about them.

Hon. Mr. Davis: Mr. Speaker, I'm not sure whether we're having a debate or a question period.

Mr. Lewis: I appreciate that.

Hon. Mr. Davis: I would only make the observation that the Minister of Natural Resources—

Mr. Deans: Should resign.

Hon. Mr. Davis: —moved, I think with the support of all members of this House, in a route to come to grips with this particular problem some months ago—

Mr. Lewis: And sat on it for I don't know how long.

Hon. Mr. Davis: —and, Mr. Speaker, is in the process of doing so.

Mr. Lewis: And still wasting time.

Mr. Deans: The Minister of Natural Resources sat back while they were dying.

Mr. Speaker: Order please. Are there any further questions?

OIL PRICES

Mr. Lewis: I have one last question of the Premier. He will note that one of his friends and former colleagues, Mr. Macaulay —I think it is that Robert Macaulay—indicated in a fairly major speech on energy that the concept of the open marketplace should not determine energy prices, that the marketplace stresses short-term benefits, particularly profit, rather than long-term social needs, and that if he doesn't abandon the marketplace concept he is going to bring something cataclysmic down around our heads. Does the Premier not think that in the face of all the evidence, and the support of men like Robert Macaulay, it's time that his government intervened to force the oil companies to have their price increases publicly scrutinized in order to protect the consumers of Ontario?

Hon. Mr. Davis: Mr. Speaker, I have known the genetleman referred to for some years and he has the ability of expressing himself in a very articulate, and on occasion, very colourful fashion. I would really have to discuss with him the speech that he made as it related to energy generally. I quite obviously gather from the New Democratic Party leader's observation that he was referring to gasoline. I'm not so sure that he was, in fact, referring to gasoline; I think he was referring to energy in a much broader context.

Mr. Lewis: The open marketplace.

Hon. Mr. Davis: Well, of course Mr. Speaker, there is an open marketplace as it relates to energy in the broad sense of the word. I've always been interested in the observations of my former colleague, and of course I would be delighted to read what he suggested over the weekend. However, I think the leader of the New Democratic Party is attempting, and I totally understand why, to focus on a particular aspect of energy, when I suggest, and I'm not sure of this because I haven't talked to Robert Macaulay, he was probably referring to energy in a much broader context.

Mr. Lewis: Focusing on protecting consumers.

Mr. Speaker: A supplementary from the member for Grey-Bruce.

Mr. Sargent: With regard to the same gentleman and the energy which is being discussed, Mr. Macaulay said that the government was costing us millions of dollars needlessly because it wouldn't table an agreement between AECL and Ontario Hydro. In the same matter, how can the government set Hydro rates on Jan. 1, 1975, when it won't table this agreement?

Mr. Speaker: That is hardly supplementary to the question. Does the hon. Premier have an answer?

Hon. Mr. Davis: I think, with great respect, the hon. member for Grey-Bruce is oversimplifying observations made, I assume, at the time of the Energy Board hearing. I don't think he really referred to the fact that I wouldn't provide it. If memory serves me correctly—

Mr. Sargent: No, he didn't say that.

Hon. Mr. Davis: —he made no such observations, because the truth of the matter, Mr. Speaker, is that I don't happen to have that particular agreement and I couldn't produce it for the hon. member on this occasion. Once again, I think one has to read Mr. Macaulay's speech—and I think this related to his end submission to the Energy Board hearing—in its total context. If the hon. member wishes to pursue this in some detail I would suggest he would do so with the Minister of Energy.

Mr. Sargent: A supplementary: He said the government should be forced to provide this agreement. Does the Premier agree?

Hon. Mr. Davis: Mr. Speaker, the hon. member once again is saying I should be forced to produce the agreement. I don't have the agreement and I suggest that if he has questions on this matter he raise them with the Minister of Energy.

Mr. Speaker: Further questions? The member for Huron.

BROILER PRICES

Mr. J. Riddell (Huron): Mr. Speaker, I have a question of the Minister of Agriculture and Food. Is he aware of the recent action of the Farm Products Marketing Board in rescinding the regulation permitting the Ontario Broiler Chicken Producers' Marketing Board to establish the price from last Thursday to this Thursday for broilers? Would he not agree that the board is acting irresponsibly catering to the whims and fancies of the processors at the expense of the producers who are, according to the latest statistics, making something like minus 4.8 return on their investment?

Hon. W. A. Stewart (Minister of Agriculture and Food): Mr. Speaker, I'm not aware what arrangements have been made between the Farm Products Marketing Board and the Broiler Chicken Producers' Marketing Board. I would suppose that likely one of the reasons there was some discussion on the matter is that there is a reported 2.5 cents per pound difference between chickens produced in Ontario and those produced in Quebec. This may have had something to do with the discussion.

Mr. Deans: Supplementary question.

Mr. Speaker: The hon. member for Wentworth.

Mr. Deans: Is the minister aware that there was a statement made by the Ontario marketing board to the broiler marketing board that they ought not to have the level in Ontario higher than the level in Quebec? Does the minister feel that it might not be possible that the costs in Ontario could, in fact, exceed those in Quebec and that the prices have to be established in relationship to the costs, rather than in relationship to some other jurisdiction over which we have no control?

Hon. Mr. Stewart: Although it seemed a logical argument, one would be led to the conclusion it would be difficult to find why that difference of 2.5 cents per pound should exist, when, in fact, Quebec is almost totally dependent on imports of grain to that province for the feed those broilers use. Admittedly there may be some additional feed grain assistance provided, but as far as Ontario's conditions are concerned, a good deal of that feed is produced right here in the Province of Ontario. One would be led to believe, with the amount of broiler stock in storage today that perhaps should be put on the market, that one would have to look rather carefully at the price structure that would be established. We certainly don't want to have another surplus egg thing on our hands, with stocks being stored and frozen—at the expense of the people who buy them off the market, and that in this case is the processors —that really should be put back on the market for consumers.

Mr. M. Gaunt (Huron-Bruce): Supplementary.

Mr. Speaker: This will be the last supplementary.

Mr. Gaunt: May I ask the minister if he has ever had any discussions with the Farm Products Marketing Board in respect to asking them to take positions, such as have been described, where there are price variations in farm products from one province to the other?

Hon. Mr. Stewart: Mr. Speaker, as, I like to think, a responsible minister of the Crown, I am interested in what all of the boards and commissions of our government are doing, particularly those that fall under our jurisdiction. I would like to suggest that when there is a problem I want to know about it, and I do have discussions from time to time. I do not put myself in the position of directing boards to do certain things, but I certainly am concerned.

While I'm on my feet, Mr. Speaker, I suggest that had the federal minister directed or had discussions with the national marketing council at Ottawa we wouldn't have had the egg mess that has characterized and generated this incredible hassle on marketing boards right across the country.

Mr. Speaker: It is a member of the New Democratic Party's turn this time. The hon. member for Ottawa Centre.

GLOUCESTER TOWNSHIP SCHOOL TAXES

Mr. Cassidy: Thank you, Mr. Speaker. I have a question of the Premier which is of special interest to the electors in Carleton East.

Hon. Mr. Handleman: Is the member running there too?

Interjections by hon. members.

Mr. Cassidy: I wonder if the Premier is taking a personal interest in the appeal by Gloucester township to the cabinet on an OMB decision concerning the allocation of school taxes; whether he is aware that the amount of liability outstanding on public school taxpayers is about $900,000 or something over $100 per public school taxpayer in Gloucester township; and whether he will undertake to have a decision by cabinet on that appeal by Gloucester before the Carleton East by-election?

Hon. Mr. Davis: Mr. Speaker, I am aware there is an appeal, and it will be dealt with like other appeals, as expeditiously as possible.

Mr. Cassidy: Supplementary, Mr. Speaker: In view of the fact no other municipalities, except Gloucester and March township, will have their public school taxpayers liable to pay this rather heavy amount of back taxes, and in view of the fact that Gloucester was

following ministry directives in making the decisions which have now been overturned by the OMB, would the Premier undertake, if the cabinet rejects the Gloucester appeal, that special financial arrangements will be made to bail out the taxpayers in Gloucester?

Hon. Mr. Davis: Mr. Speaker, of course the member for Ottawa Centre is once again prejudging or presupposing what may or may not happen. I think it would be most improper, prior to the appeal being considered by cabinet, suggesting what may happen as a result of that appeal.

Mr. Speaker: The member for Rainy River.

Mr. Cassidy: The Premier is saying the answer is no.

Hon. Mr. Davis: The answer is not no nor is the answer yes.

Mr. Reid: Mr. Speaker, I have a question—

Mr. Cassidy: There is no answer before the by-election. That's what he is saying.

Mr. Speaker: Order please. The member for Rainy River has a question.

VIOLENCE IN AMATEUR HOCKEY

Mr. Reid: I have a question of the Premier, Mr. Speaker, if I can have his undivided attention for a moment.

Hon. Mr. Davis: Certainly.

Mr. Reid: What action is the Premier and his cabinet contemplating as a result of the commission on violence in hockey, and in particular because of the mediaeval attitude of the OHA on banning fighting in hockey?

Hon. Mr. Davis: Mr. Speaker, I don't have all the figures here with me. I appreciate that question. I think all of us are encouraged to date by the response of a number of organizations in hockey.

If memory serves me correctly, about 90 per cent—I think I am right in this—of those who are participating in minor hockey at this moment are operating under this suggested rule change. As I understand it, and I'm going now by memory, it's basically the Junior A to D part of the OHA where this is not functioning. I understand the OHA is having or has had a meeting very recently to discuss this.

From my own personal standpoint, and I'm not at this moment saying it is necessarily government policy because we want to see just what can be accomplished, I think obviously—and I said this at the time of the report—that a rule change of this kind is important and it makes a great deal of sense. I can't recall too many other major sports in which if fighting takes place the automatic suspension doesn't exist. I can think of two or three other sports where it does.

While I know it is not an easy penalty to enforce and that there are some practical problems involved, I am also persuaded, this being sort of symptomatic of some of the other difficulties we face in society today, and particularly with young people, if we want some sort of an example established, that this suggested rule change, from my standpoint at least, makes a great deal of sense.

As I said at the time of the press conference, it is my hope that the minor hockey associations, including the Thunder Bay—is it the northern Ontario—the Ottawa Valley and the OHA would all co-operate. It was encouraging to note, Mr. Speaker, that there has been some indication that Mr. McMurtry's report has received acceptance outside the Province of Ontario, in that I think that the hockey association in Alberta, I believe—and I can't tell you the actual groupings or age groupings—have also adopted this particular presentation.

What I do find is discouraging, Mr. Speaker, from my standpoint—

Interjection by an hon. member.

Hon. Mr. Davis: The member asked the question. He's interested and so am I. I think it really has a little more importance than some members of the public perhaps are prepared to attach to it, I think it goes beyond hockey.

What concerned me at the time of the issuance of the report was the remark of the president of the National Hockey League, who had some personal observations about my interests, and of course I have never talked to Mr. Campbell about hockey or anything else. What I am interested in is seeing that minor hockey reflects the kind of society which we live in or we would like to see. I think that fighting is not an essential part of any sport unless it is boxing.

Mr. Reid: That is not sport.

Hon. Mr. Davis: If people want to fight as part of a sport, they can watch—when is it, tonight or tomorrow night or whenever it is—that is a recognized sport.

However, I am still optimistic, Mr. Speaker, that this thing will be brought to a conclusion. If it is, I look forward to the day that

even in the professional ranks there is a recognition that hockey per se is a great game and one doesn't need some of the donnybrooks we witness from time to time to encourage, shall we say, audience enthusiasm or participation. I don't happen to believe, as suggested by a few promoters in the game, that this is what brings people into the rinks. I think people come to see a good hockey game, and if the gloves are kept on, if the sticks aren't swung and if there aren't any fights, the crowds will still continue to come.

Mr. Reid: A very brief supplementary, Mr. Speaker: Granting the Premier's premise that moral suasion may have an effect on amateur hockey, and granting the fact that McMurtry pointed out that the example was set particularly by the NHL in this regard, is the Premier prepared to take any steps in bringing something more than moral suasion on the NHL when they play in the jurisdiction of Ontario?

Hon. Mr. Davis: Mr. Speaker, I guess there are some provisions of the Criminal Code that actually, technically applied, probably would have some effect. I am not sure of this but I think perhaps that's the case.

Our prime interest at the moment—I don't say necessarily our total interest—is with minor hockey, because this is where it has to start. Quite obviously, if this becomes an accepted policy with minor hockey, including Junior A, then the day will come, with or without legislation or action, in my view, where this kind of approach will obviously filter through to professional ranks.

I think it has been the rule in many of the college leagues, both in the United States and Canada. It hasn't detracted from the game. It hasn't detracted, in my view, from the calibre of the people who were brought up through that particular route, rather than the Junior A or B, although I am not an expert in this either.

At this moment, Mr. Speaker, we are concentrating our efforts on minor hockey. We are not oblivious of the problems in the professional ranks as they relate to this particular aspect of the rules, but I do say to the hon. member, the minor area is the one we are concentrating on at the moment.

Mr. Speaker: The member for Yorkview.

SPEED LIMITS

Mr. F. Young (Yorkview): Mr. Speaker, through you to the Minister of Transportation and Communications: In view of the fact that the United States road casualty figures are now in for September, showing a 15 per cent saving of life over a year ago, up considerably from the holiday slump; and in view of the fact that this indicates about a 10,000 life saving for 1974, due in large measure, they consider, to the lower speed limit, is the minister now considering or reconsidering the lowering of the speed limit on Ontario highways? I am very much concerned.

Hon. Mr. Rhodes: No, Mr. Speaker, we are not considering a general lowering of the speed limits in the Province of Ontario, based entirely upon the figures that have been submitted by the National Safety Council in the United States.

As I have stated previously, the National Safety Council has seen fit to say simply that the reduction in fatalities on the highways in the United States is as a direct result of the lowering of the speed limits. Statistics have not been produced conclusively to indicate this to be so.

I can indicate to the House, for example, that I have had information from the State of Michigan where at the present time the rate of violation of the 55-mile-an-hour speed limit is at 83.6 per cent. When the speed limit was 70 miles an hour on the freeways and 55 miles an hour at night, the rate of violation was 15 to 25 per cent. Statistics gathered in the State of Michigan have indicated that the fatality decreases can be related to many other causes, not the least of which is the economy of the country. They have statistics going back to 1957 that would show this to be quite true.

Rather than going on with the various statistics that are available, I would simply say that we are not satisfied that you can relate directly the reduction in the number of fatalities on United States highways to the reduction of the speed limits, which were introduced at a time of an energy crisis which did in fact produce a substantial reduction in the number of miles travelled and a very substantial reduction in the number of vehicles using the highways.

Mr. Young: Could I ask a supplementary question, through you Mr. Speaker?

Mr. Speaker: One quick supplementary. The question period has just about expired.

Mr. Young: Since the Michigan figures are down 13 per cent approximately for September, how do the figures in Ontario compare with the United States figures?

Hon. Mr. Rhodes: Mr. Speaker, I think the only thing I could give the member at

this time in our figures is that we are down 10 per cent in the first quarter of this year in fatal accidents. We are down seven per cent in the number—I am sorry, down 10 per cent in fatalities, down seven per cent in that area in the number of fatal collisions. We have been experiencing in Ontario an increase in property damage accidents, but our fatalities in the first quarter have gone down.

I would like to ask the hon. member if he will give me the opportunity to get the exact figures and present them to him.

Mr. Young: This compares to about a 25 per cent reduction in the United States.

Mr. Speaker: The oral question period has now expired.

Petitions.

Presenting reports.

Motions.

Introduction of bills.

Mr. R. F. Nixon: Mr. Speaker, just before the orders of the day, I know, sir, you would be glad to be informed that our colleague, the member for Kitchener (Mr. Breithaupt), was married this weekend, and I'm sure you will join with me in wishing him our best regards.

Interjections by hon. members.

Mr. Stokes: What's he doing here?

Mr. Speaker: I'm sure the applause is taken as especially good wishes.

Mr. J. R. Breithaupt (Kitchener): Thank you, Mr. Speaker.

Mr. Deans: Mr. Speaker, before the orders of the day I would like to congratulate my colleague from Kitchener—

An hon. member: And ask him why he's here.

Mr. Deans: —and ask him why he did it and why he is here, but that's beside the point.

I'd like to clear up the matter of the committee sittings so that everyone understands. I believe we have an understanding for the afternoon that the committee looking at the estimates of Labour will not sit during the time that the no-confidence motion is being debated in order that all members will have an opportunity to take part in the debate. I just wanted to make that clear so that the chairman of the committee may not be sitting there waiting for the members to show up and not have them there.

Second, I would like to ask the indulgence of the House to be sure that we don't lose that afternoon since it's important. There isn't a great deal of time left for the study of estimates, and it's important that we not lose that sessional afternoon in the committee and that we recognize that a no-confidence motion is an unusual and unique situation as opposed to all other matters that come before the House.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Yes, Mr. Speaker, there's nothing here for me to direct; as I've said on many occasions I don't dictate the sitting of the committee. I do not hesitate to say that it is probably an overriding thought of committee members, and if they so decide not to sit that will suit me and I will follow the other suggestion.

Mr. Speaker: Orders of the day.

NOTICE OF MOTION No. 7

Clerk of the House: Notice of motion No. 7, by Mr. R. F. Nixon (Brant).

Resolution: That this House regrets the failure of the government to bring forward effective programmes to moderate the inflationary pressures on the cost of living in this province, particularly in the areas of food, rent and fuel, as well as the failure of the government to reduce the inflationary effect of its own deficit financing.

Mr. R. F. Nixon (Leader of the Opposition): I move motion No. 7, being a want of confidence motion under standing order 87(i).

Interjections by hon. members.

Mr. L. C. Henderson (Lambton): Speak to Ottawa.

Mr. E. M. Havrot (Timiskaming): The member has got the wrong House.

Mr. Speaker: The hon. leader may proceed.

Mr. R. F. Nixon: It is interesting that the interjections from the back row by those who have come in from the continuing euchre game to make their contribution is on the basis that we've got the wrong House. This is precisely the reason this debate is important.

Mr. Havrot: Wrong House, it should be in Ottawa.

Mr. R. F. Nixon: This is precisely the reason since this province, with a third of Canada's population and over half of our nation's wealth, has consistently failed to give any initiative or leadership to a programme at the provincial level to at least control the effects of inflation.

Interjections by hon. members.

Hon. G. A. Kerr (Solicitor General): They voted against a solution on July 8.

Mr. R. F. Nixon: There is no doubt in our minds that family budgets have been strained and dislocated; that—

Mr. Havrot: Who called for the conference?

Mr. R. F. Nixon: —the confidence of investors in this province and elsewhere in Canada with funds initiating in this province has been seriously undermined—

Hon. J. White (Treasurer, Minister of Economics and Intergovernmental Affairs): Poppycock.

Mr. R. F. Nixon: —that labour-management tensions have been such that the government itself is floundering in dealing with its own employees as well as failing to give the kind of leadership the province needs.

Mr. Havrot: Just like the grain strike, eh? Just like the grain situation.

Mr. R. F. Nixon: There are three specific areas Mr. Speaker wherein this no-confidence motion is timely. The first has to do with the fatuous contribution to the debate last week in which the Treasurer tried to indicate that our deficit projected this year for $848 million is in fact somehow good for the economy and that this is somehow associated with the provision of jobs and the balancing of a dislocation which is causing undue suffering in all parts of this province.

Hon. Mr. White: I didn't expect the member to understand.

Mr. R. F. Nixon: While he says that I am not able to understand, I would submit to you, Mr. Speaker, that no other sensible person in this province is prepared to accept the ridiculous justification he gives, wherein even the contributions to OHIP as well as the contributions to the pension plans of this province are used as income by this Treasurer. He is prepared to take those contributions and singlehandedly, without consultation, transfer them to the consolidated revenue fund at interest payments of about eight per cent, when he is prepared to go to the New York market to borrow money for Ontario Hydro and for our regular needs at rates of about 10¼ to 10⅓ per cent. So certainly the Treasurer's interjection is something less than timely in this regard.

The second justification for the no-confidence motion is that the Premier (Mr. Davis), has declared publicly that there is nothing further the province can do in order to mitigate the inflationary pressures on our cost of living. This is unacceptable. It is an embarrassment for citizens of this province to hear the Premier speaking for his colleagues in the cabinet on this particular stance. Obviously the powers under the British North America Act have not been fully utilized. They have not even been brought into play in any significant way whatsoever with this problem we face.

The third justification surely is that on Oct. 30, two days from now, the Premier will join with the first ministers of the other provinces and the Prime Minister of Canada at a conference to discuss what the provinces and the government of Canada can do to moderate and offset these effects.

There is a fourth reason as well, and that is that while issues sometimes arise in this Legislature which have important political overtones, as does this, there is really a cold hand of fear gripping many of our citizens, whatever their level of salary or employment, which indicates a slipping away of the traditional confidence in the fiscal stance of the government, even in the free enterprise system itself, as we know it in this province. While it is our contention that the system is eminently defensible, the pressures brought upon it by the inaction of the government must surely still lead the members of this House to support a no-confidence move as put forward in my name today.

Mr. Speaker, we are concerned about a number of specific aspects and I want to begin by talking about the government's supposed response to the inflationary pressures in the province already. The Premier repeatedly says that I as Leader of the Opposition am not even prepared to support his attempts to reduce the cost of education because we do not support the concept of centrally imposed ceilings on education costs.

I want to deal with this just for two minutes, Mr. Speaker, since time is limited. There is no reason why these ceilings should have anything whatsoever to do with the outflow from the treasury of the province. We should be presented by the Minister of Education

(Mr. Wells) and the Treasurer with an education budget in block figures designed to support education in all levels of this province and that is the amount that should be spent during that ensuing year.

We should have confidence in the democratic procedure and the good sense of those elected to operate our school boards to leave the additional judgement to them to establish goals for education and levels of expenditure that they are prepared to put to their ratepayers and be judged by at the ensuing election. After all, it is the Treasurer of Ontario who has allowed the rate of expenditure to advance by 19 per cent this year, not the school boards. I am not prepared to say it is the centralization of decision on financial spending at the education level under the policy of this government that has contained that expenditure in any reasonable degree.

All the imposition of ceilings has done is removed the budgetary control from the democratically elected school boards and put it where it should not be, and that is in the hands of some third assistant deputy minister who reports from time to time to the minister. It is not only interfering with the quality of education, but surely it is interfering with the quality of democracy without saving us a plugged nickel and certainly disrupting the understanding of democratic control in this province.

The second thing that I want to refer to is that the government has from time to time indicated as its method of cutting public costs its attempt to cut the costs of the provision of medical services.

The former Minister of Health is not in his seat, but there is a certain irony in the fact that he, the present Minister of Correctional Services (Mr. Potter), when he became Minister of Health, brought forward a constraint or restraint package which was designed to cut the costs of medical services in this province, it was in fact approved by the cabinet two years ago, but it was not possible for that minister to implement it and thus reduce the cost of our medical programme here. He was not supported by his colleagues in the cabinet, and the pressures brought upon him externally meant that that constraint programme simply went by the boards, and all that we saw was that without consultation with this House, the doctors received a 10 per cent across-the-board increase in their incomes.

Mr. M. Shulman (High Park): Does the Leader of the Opposition think 10 per cent seems too high?

Mr. R. F. Nixon: As a matter of fact, in answer to the interjection from the hon. doctor from High Park, the doctors deserve some credit for at least not attempting to get a bigger increase or asking for one earlier.

Hon. A. Grossman (Provincial Secretary for Resources Development): Well, now the hon. member is on both sides.

Mr. R. F. Nixon: But I'll tell you this, Mr. Speaker, that the day is gone when we're simply going to read about any increase in service that everyone must have in order to live, whether it is food, doctors' services or anything else, on the front page of the Globe and Mail or in a news release.

It is necessary for the elected members of this Legislature to at least hear the justification—the arguments from the doctors that the increase should have been more or that it should have been earlier or the arguments from others who believe that $560 million in payment for medical services now is too much—before the Premier simply arises and says that this, as a fait accompli is government policy and "Don't bother us with details."

This is surely not the way to involve the goodwill of the citizens in this province in the changes that they're going to have pay for directly and indirectly.

We know very well, Mr. Speaker, that other methods of at least controlling the costs of hospital services have been attempted by the present Minister of Health (Mr. Miller) and his predecessor. But, once again, they have been predicated on unilateral decisions made by officials at the centre, which have flown directly in the face of not only extensive planning, but the commitment of millions of dollars in the provision of active treatment facilities across this province.

It seems ridiculous, when we are told by the present Minister of Health that the rate of expansion of health service is going to bankrupt the province—a ridiculous reference, it seems to me—because that is not going to be allowed to happen and when we see active treatment beds on ice. In this city there is a whole hospital on University Ave. which is not being used by anybody for anything. It certainly seems not only a waste of taxpayers' money, but the worst kind of bad planning, which in education, particularly under the aegis of the former minister who is just taking his seat, and the Minister of Health, have brought us into the situation now where we are warned, as we are warned probably twice a decade, that we face a fiscal nightmare.

It's interesting to recall those warnings that came from Charlie MacNaughton—and, yes, Ross Whicher, if you want to involve him in a debate like this. Strangely enough, the present chairman of the Racing Commission, the former Treasurer, had some sort of an idea that in times when inflation was the problem, the government ought to be conserving its resources against the day when they would be needed to balance the economy. Even Ross Whicher had a similar view. And you will recall that many years ago Ross Whicher indicated that if the costs of education were allowed to expand as they were when the hon. member for Peel North (Mr. Davis) had the responsibility of the education budget, that by 1963 the province would be broke.

Well, fortunately there were some mitigating circumstances, and I feel the same thing is going to happen in health. I don't believe the health costs are going to bankrupt this province, because the people won't permit it and the members of this Legislature will not permit it.

Hon. W. G. Davis (Premier): The educational cost would if the Leader of the Opposition had his way.

Mr. R. F. Nixon: We have seen the government attempt to protest that its policy in controlling costs has in fact been effective, when all it has done has been to centralize the decision-making procedure.

The last point is the baby and brainchild of the Treasurer himself, regional government. In his strange amalgam of—well, I suppose you would have to call it arrogance and condescension, he is prepared to say that everyone's figures but his own are wrong. But I'll tell you this: All he has to do is go into the areas where regional government has been imposed to realize the deep-seated dissatisfaction of the taxpayers in those areas with the government policy.

The minister himself realizes that it is unduly expensive and that it in itself, in calling upon the scarce resources for public administration, has fuelled the fires of inflation and continues to do so.

This is a matter of great concern, not only as a policy alternative; the minister himself, the Treasurer, has said that the provision of the costs of municipal government are going to be one of the areas of greatest concern.

I have often felt that it was ironically misleading that he would say to municipal leaders that he was prepared to turn over to them every dollar of additional income that comes to us by way of the federal treasury. I was looking at his most recent report where we see that the federal treasury now pays about $2.2 billion in shared cost programmes; and that they collect about $1.2 billion as our share of the income tax. So, by any fair assessment the federal treasury collects and gives us, either without strings attached, or on the basis of shared-cost programmes, an amount that is close to 50 per cent of our budget.

I would hope that the Treasurer could negotiate a better deal with the government of Canada. However, we on this side say it is essentially our responsibility not to raise taxes but to cut our costs, an alternative that does not seem to have presented itself to the Treasurer as he goes his merry way, introducing these expensive programmes and attempting to blame the federal jurisdiction for the shortage of dollars.

The thing that does concern me, as we come up to the federal-provincial conference a couple of days from now, is the statement from the Premier that everything that can be done has been done on the provincial basis to moderate, if not control, the effects of the inflationary pressures on our cost of living.

We were treated again today to two outbursts from the Treasury benches which indicated that Ottawa is to blame for all of these problems. As a matter of fact, it must have been a substantial embarrassment to the supporters of the Conservative Party to see the machinations of the Treasurer before the last federal election, using his high office to attempt to assist politically his federal party in gaining power.

Hon. Mr. White: Oh no.

Mr. R. F. Nixon: Oh yes he was. He will remember specifically that he brought down some misbegotten report on the cost of living two or three days before the election—

Hon. Mr. White: That was confirmed.

Mr. R. F. Nixon: Yes, it was confirmed that it was our tax dollars and the minister's rather strange approach to his high responsibility as Treasurer here—

Hon. Mr. White: Those forecasts were confirmed.

Mr. R. F. Nixon: —which got him into trouble, because he was seen to be totally irresponsible in the utilization of the high trust that has been given to him by his leader, the Premier—and, indirectly, by the people of the Province of Ontario.

Hon. Mr. White: That's not so.

Mr. R. F. Nixon: I trust that when the Premier goes to Ottawa he is not going to take the continuing negative aspect which attempts to shift the blame elsewhere; but to work as he can—and as his predecessor showed frequently he could—with the other Premiers and the Prime Minister, to come to the very best solution to a problem that is frightening in its proportions and which simply cannot be dismissed as simply another political smokescreen.

Hon. Mr. Davis: We have always done that.

Mr. R. F. Nixon: The Premier says, "Yes, I am always of that frame of mind." I would say that that's so; but if there was ever a time for initiative, this is it. And I can assure you, Mr. Speaker, that all of us will look for his announcements, either before that day or in Ottawa, with the greatest amount of concern.

Hon. Mr. Davis: I am interested to hear what the member is going to suggest by way of specific proposals that will be of interest to the federal government.

Mr. R. F. Nixon: Right, fine.

Hon. Mr. Grossman: We have heard nothing so far.

Mr. R. F. Nixon: That specifically brings me to the proposals that I want to put before you, Mr. Speaker.

Mr. V. M. Singer (Downsview): Tory bombast.

Hon. Mr. White: What was that?

Mr. Singer: Bombast—but there are other words. I learned them from that side.

Hon. Mr. Davis: Oh no, never.

Mr. Speaker: Order please. The hon. member has the floor.

Mr. R. F. Nixon: Thank you, Mr. Speaker. The first one, and certainly the most important, is a commitment that must come from the Premier that we are going to have a balanced or surplus budget in 1975-1976. I submit to you, Mr. Speaker, this can be done and it must be done. I am not prepared to accept the obfuscations of the Treasurer that more money is coming in than is going out and that somehow even with a deficit of $848 million—I think he calls it a cash requirement of $848 million—we have a balanced situation here.

We have heard the Premier say in one of his first interjections in the House when the Legislature began last week that we now have a triple-A rating as far as credit is concerned.

Hon. Mr. Davis: That wasn't an interjection; it was an answer to the Leader of the Opposition's question.

Mr. R. F. Nixon: I thought he said it while I was talking. The Premier sometimes talks that way. It's interesting to note that the government of Canada got a triple-A rating this year. The government of Australia got a triple-A rating.

Hon. Mr. White: The government of Australia has a single-A rating.

Mr. R. F. Nixon: As a matter of fact, Penn Central had a rating in the A classification up until about six months before it went bankrupt.

Interjections by hon. members.

Mr. R. F. Nixon: Please do not misunderstand me. The last thing I am predicting is any kind of fiscal bankruptcy here. It cannot happen. It cannot happen, because undoubtedly the government will change when the people understand the situation they are being led into by the policies of the present administration.

The first alternative we put to you, Mr. Speaker, is fiscal responsibility. There is no doubt in my mind it is essential to have deficits in times where unemployment is the major economic problem that faces us, but when inflation is the problem, when your revenues should be buoyant and not in an unhealthy way as they are now, we should be building up the credit in means other than triple-A ratings which will give us the power, which simply lurks out of our ken for a few months—and certainly it will return—so that we have the fiscal strength to deal with this, not to balance the budget then, but to balance the economy.

This is surely an approach that is accepted by economists who have even a better qualification than the Treasurer. I often find that when he gets involved in economic arguments he sounds like an underqualified lecturer at Western who never got tenure. He finds himself now sitting on top of the fiscal responsibility here at Queen's Park with all the pedantry that his inadequate background somehow gives him.

Interjections by hon. members.

Mr. R. F. Nixon: It seems to me that he should not be speaking as an economist. He is quick to say that obviously I am not, but we are trying to reflect the concerns that we feel as a political party, as taxpayers, as residents of Ontario and, probably more important than anything, as citizens of Canada.

Second, there is no doubt that we in this province must establish a price review procedure. We have under the British North America Act specific and separate responsibilities for certain areas of our economy which are not covered by the powers of the government of Canada. There has been a certain amount of chortling about Beryl Plumptre and her price review committee. I believe anyone who has followed this—and certainly the Minister of Agriculture and Food (Mr. Stewart)—would say that there has been a substantial impact in decisions taken by the price review board. Whether it is attributable to Mrs. Plumptre or not, one at least has got to—

Hon. Mr. Grossman: It is the federal Minister of Agriculture who is doing the chortling.

Mr. R. F. Nixon: All right. As a matter of fact, there can be all sorts of political confrontations, but we need a price review procedure here to cover those areas where the provincial responsibility is paramount.

It's difficult to say because it is easily misunderstood, but why should the decisions of the Ontario Milk Marketing Board be announced in the newspaper without review? They have the power, and I believe they should have the power, to control that market and speak for the producers and not the consumers, but we in this Legislature should be the forum before which a decision like that is justified.

There is no justification in the minister's office. The justification is in the editorial pages of the provincial press. That is fine, but I believe when price changes involving food commodities controlled provincially are going to be made unilaterally by marketing boards they should be justified before a public body. And surely that would serve both him and the farmers, because the reason for those changes would then be more readily understood, and there would be at least the confidence that the representatives of the people are in a position to give alternate arguments and make recommendations to the government in that regard.

Now, the third thing I want to raise specifically is in the same vein. It is a municipal rent-review procedure; which has been discussed in this House before. My colleague, the member for St. George (Mrs. Campbell), has private legislation before us in that regard. The board should have powers to call witnesses and compel evidence as arbitrators in landlord-tenant rent disputes. A similar review process has been functioning in Quebec since January and has generally limited rent increases to seven per cent without applying cumbersome controls.

Also in this regard—and the Premier said he wants something positive—the province's landbank inventory, which totals now more than 20,000 acres, must be developed at least in large measure to restore some balance to the supply short housing market. Now, we have gone for 170,000 new homes in northeastern Toronto—and the Premier justifies that by saying that compared with the development in Mississauga it is really not that significant. But surely we ought to have a provincial plan—and we have discussed this previously—which will allow the development to take place around the community facility already in place in the areas across the province.

Hon. Mr. Davis: I don't want to interrupt, but if the member is going to quote me, he should quote me accurately. I'll reply to it later, but that isn't what I said. However, it is not unusual for the Leader of the Opposition to have it wrong.

Mr. R. F. Nixon: Well, all right. I don't want to get hung up on this, but when the question was asked, Mr. Speaker, whether the 170,000 new homes in northeastern Metro would throw the Toronto-centred region into a cocked hat, the Premier's answer—and I don't have his words before me—was that a statistical review had been prepared—by somebody sitting under the gallery—comparing it with the numbers of new homes in Mississauga; and the only conclusion that could be drawn was that, "Since they are having big expansion in Mississauga, why not have it up in York?"

Hon. Mr. Davis: Mr. Speaker, just on a point of order—so that the Leader of the Opposition won't be in error again—there was no one under the gallery preparing anything.

An hon. member: What are they doing there then?

Mr. R. F. Nixon: Well, they haven't got enough to do; they want to listen to the Premier.

We are enumerating alternatives, Mr. Speaker, and my time limit is just about up. I can see you are starting to indicate that to me in your inimitable style.

But, fourth, we believe that the powers of the Ontario Food Council should be strengthened so that they can give the kind of comparative price information, naming the chain stores concerned. This would actually put some, let's say decision-power, in the hands of the consumer.

Obviously, there are those who would think that this was unfair; that it would have to be structured along guidelines which would fit in with Mrs. Plumptre's initiative, which has been working in Ottawa. It reduced food prices there four per cent in the first week of its operation, and I believe that we could use it in this province in the major municipalities to give people some kind of an idea of comparison prices and bring real pressure on the large chain stores—who have had everything their own way up until now—using the information from the food council in this regard.

And fifth and finally, I believe that we must give expanded powers to the Ontario Energy Board so that all fuel prices, as well as energy prices, come under its jurisdiction. Ontario's position in negotiating with the federal government in this regard should be predicated on the policy that price increases for Canadian resources must serve all Canadians and not just those in the province of origin.

I was interested to read over the weekend that legislation has been introduced into parliament which would give additional pricing powers to the government of Canada; and it was predicted that natural gas prices would go up—probably double—with these powers. But I would hope that the government of Ontario is going to enter into very strong, let's call it negotiations, in this regard, because we have a responsibility here which cannot be ignored. I do not believe we should give these powers to the government of Canada if, in fact, they are going to allow the additional fiscal credit for the production of these sources of energy to accrue to one particular province. I believe that a national policy can be supported only if it benefits all Canadians alike, and does not create a sheikdom within our borders where a tax Valhalla is allowed to exist.

The Premier is chuckling.

Hon. Mr. Davis: No, I am just chuckling at the terminology.

Mr. R. F. Nixon: In Alberta, there is no sales tax. Their gas tax is nine cents a gallon. There are no death duties. The government has something close to $1 billion a year and it doesn't know what to do with the money in order to spend it. They bought an airline. I don't know what else they are going to buy. It is exactly the problem the Shah of Iran is experiencing, except that over there he knows what to buy. He doesn't buy airlines. He buys statistical—or strategic, bombers; they are not statistical, they are hardware, and he has them right there.

Believe me, we in Ontario must be prepared to have our uranium—yes, and our water power as well—recognized as a national resource, if at the same time the resources of all other provinces are going to be put forward as a national value. We should, from our point of view, point out the disunifying pressures that are exerted under the present circumstances, and I would hope that the powers of the Ontario Energy Board can be brought to bear in order to bring some control over the costs, not only of energy in the broad field, but also energy for fuel and for heating.

Mr. Speaker, the Premier has specifically asked for specific alternatives, and I have put them before you, sir. We believe this matter to be of utmost urgency and importance and we are confident that the rational members of this House, in reviewing the arguments as they are put forward, will vote with us, no confidence in the present administration.

Mr. Speaker: The hon. member for Scarborough West.

Mr. S. Lewis (Scarborough West): Yes. I am not sure I can infuse this contribution with coherence, but I will try. I rise, of course, to support the no-confidence motion. It will no doubt concern the Premier that we are voting against him, thereby imperilling his regime yet again, and that is something he will simply have to cope with. There is, I concede, a certain repetitive pattern to the debates in this Legislature around containing the cost of living and the problems of inflationary pressures. I don't want to add to that unduly, just marginally, during the course of the few minutes that I intend to speak.

Mr. Speaker, I think there are two or three preliminary points which might be made. One, I want the Premier to know that we in this party recognize the truth of a good deal of what he has been saying. I don't want him to think that the opposition to the contention about inflationary pressures is simply a dog-

matic one, a partisan one, a mindless one. We understand the international realities of inflation, we understand the continental realities, and we accept the Premier's contention that inflation and the pressures on the cost of living generally are very much a national phenomenon, and that it is, therefore, difficult for a province to intercede.

Having said that, the area of disagreement which we feel most profoundly is the contention that a province does nothing at all. It is our contention that there are ways for the Province of Ontario to intrude itself in defence of the consumer, and that there has been a total abdication of responsibility on the part of this government—in fact, a kind of surrendering of the right to govern—by not intruding on behalf of the consumer and protecting the consumer in a situation quite so desperate and so savage as this is, particularly for low and fixed income earners.

Everyone feels the weight and desperation of inflation. They feel it in working class Stormont and they feel it in middle class Carleton East, as we are now learning. Everyone feels it. And everyone singles out the government as the culprit, perhaps in this case rightly. But the refusal to adapt on the part of the government, the refusal to respond to any cry, any plea, any argument, no matter how effectively put or how well documented, I think is the Achilles heel of this government. There has to be some intervention on behalf of the consumers. The government has been absolutely dogged in its pursuit of a policy which lets the marketplace rule the roost. But the marketplace doesn't put bread on the table, and the marketplace doesn't help the low-income earner. The marketplace simply savages the incomes of those who are oppressed by inflation.

The government can talk for ever about the external pressures of inflation, but it will never persuade us, as I think it will never persuade the Province of Ontario, that the government has no responsibility. That is the way we hear the government voices. The government says, "We have no responsibility" and it treats it in a fairly sophisticated way, in a way which is almost abstract to the ordinary citizens. The provincial Treasurer makes arguments involving the juggling of figures with an enormous facility and dexterity. My colleague from High Park paid private tribute to the Treasurer's dexterity—

Hon. Mr. White: It is the truth, the whole truth and nothing but the truth. They are mathematically provable.

Mr. Lewis: Well, sir, the government then is choking on the truth. It is drowning in the truth. The truth will not wash in this situation.

Hon. Mr. White: The truth will set you free.

Mr. P. D. Lawlor (Lakeshore): He's like Houdini playing with trinkets.

Mr. Lewis: Does the Treasurer want to throw that out again? I haven't heard that one before.

Mr. Singer: Yes, that's new.

Mr. Lewis: How about, "A stitch in time," perhaps "Truth will out," or something of the kind?

All of the Treasurer's juggling of figures about the budget doesn't mean a blessed thing to the old age pensioner who walks into the supermarket, trying to use the $225 a month the government has given him or her or the family.

Hon. Mr. White: I will remind the hon. member of what we have done.

Mr. Lewis: The $848 million that the Treasurer is talking about doesn't mean a thing to someone on mother's allowance—not a thing. The fact that he talks about surpluses rather than deficits in great billion-dollar figures doesn't mean a tinker's dam to people who are permanently unemployable or wholly disabled when they are attempting to make ends meet in this kind of situation, or pay a rent or anything else which has to do with normal human behaviour—

Hon. Mr. White: Well, the Liberals say we are spending too much and this hon. member says we are spending too little.

Mr. Singer: And the Treasurer says they are just right.

Mr. Lewis: What the Treasurer doesn't understand is that all his fancy budgetary jargon, all his self-hypnosis about tax credits, all of the arithmetic self-delusion doesn't mean a thing to a person who has to meet the rising cost of living—

Hon. Mr. White: It puts more food on their table.

Mr. Lewis: —on wages which are falling behind the cost of living monthly. Has the Treasurer looked at the latest figures? Does he know that using 100 as the base—I will do it from memory because I know I have it firmly in memory—using 100 as the base

cost-of-living index for January, 1973, that that price index jumped 17.4 per cent by August, 1974, and that the wages—

Hon. Mr. White: That is what I was saying in June.

Mr. Lewis: Just a second, just a second—and that the industrial composite of wages and salaries jumped by only 13.4 per cent? Does the Treasurer know that a man's wage in August, 1974, represented in real income $328.64 less than he was receiving in January, 1973? Does the Treasurer know what's happening to incomes, wages and salaries in this province, in this country? Those are Ontario figures I am giving. The incomes are falling steadily in real terms behind the cost of living.

Hon. Mr. White: I have been preaching this gospel for 12 months. Where has the hon. member been?

Mr. Lewis: All right. If the Treasurer has been preaching it—and more power to him—

Hon. Mr. White: I know something about it, too.

Mr. Lewis: —then he has got to start doing something about it. And doing something about it doesn't consist of giving a friendly economics lecture in the Legislature.

I understand the Treasurer's budget, as much as it is possible for something that is incomprehensible to be understood. I respect the figures he is giving. I have looked at the tax tables. I have seen the tax credit tables. I know how earnest he is. I am saying that his intentions are killing the consumers of Ontario because they do not experience it in practical ways.

In terms of sophisticated economic theory, it makes sense to make the kinds of adjustments that the Treasurer is trying to make, particularly by use of the tax credit during a budgetary period in terms of the payment of income tax, but that's a once-a-year proposition. People deal with inflation on a daily basis. They don't look for salvation on April 1. They look for salvation from day to day, and they look at their government and they ask whether or not their government will intervene on their behalf—and it is never evident.

The Premier has been making two basic arguments, apart from the national and international dimension of inflation. The Premier has been saying that this government is reluctant to intrude on the private sector. In that sense his words were echoed strongly by the Minister of Consumer and Commercial Relations (Mr. Clement) who, with total charm and absolute irrelevance, indicated that he too wanted to let the marketplace find its level. Well, there are points where we have to intrude on the marketplace.

As I drove out to a speaking engagement last night, I was reading a speech by the Minister of Energy dealing with the oil companies. In it he indicated that there might well come a point, Mr. Speaker, when the Tory government would have to intrude on the oil companies and take some activity—

Hon. W. D. McKeough (Minister of Energy): The hon. member should never read my speeches on a Sunday night.

Mr. Lewis: Never on a Sunday night?

As a matter of fact, I remember that. "This isn't socialism," the minister said to them, himself kind of frantic at what he was suggesting.

Mr. D. C. MacDonald (York South): Red Toryism, I suppose.

Mr. Lewis: It was a speech on Oct. 18, I can't remember to whom. The minister makes almost enough speeches for a man who is considering the leadership of the Tory party one day; I can hardly keep track of them.

Mr. R. F. Nixon: That will be nice.

Mr. J. A. Renwick (Riverdale): Wait until he reads the one on Oct. 24.

Mr. Lewis: And, you know, some of them aren't bad—some of them aren't half bad.

Mr. Lawlor: That concentric circles speech.

Mr. Lewis: Does the member mean the one about centrifugal force with Darcy at the centre? I read his speeches and I enjoyed some of them. This one actually talked about the government of Ontario intervening in the private multinational corporation control of the energy sector. And he said: "That's not socialism, but it's just common sense, under the present circumstances."

Well, what we're saying to the Premier, just as the Minister of Energy said on Oct. 18 and Robert Macaulay said yesterday, is that the government has to relinquish its fetish about the private sector—maybe it's the Premier's personal fetish—and understand that the consumers have to be protected, too. That's something the government just doesn't appreciate or grasp. In political terms, it's terribly damaging for the government out there in the countryside. Maybe one day it will understand that. If not, time will be

shorter. It has had a long time anyway—enough already.

Now, the second point that the Premier makes—that the Premier always makes—is the question of constitutional authority. And that has been shot down in flames. It was shot down in flames when we discussed the estimates of the Ministry of Consumer and Commercial Relations just a few days ago.

My colleague, the hon. member for Riverdale set out the constitutional prerogatives for the Province of Ontario, and set them out very well. He indicated that it's well within our purview to engage in some selective price rollbacks; indeed, if we wanted to we could probably also impose an excess profits tax. As far as the Minister of Energy is concerned, he's now aware that the government of Nova Scotia has been upheld by the Nova Scotia Supreme Court in giving to its public utilities commission the power to roll prices back.

So there really isn't an argument on which the government of Ontario can take a stand. That's what's so frustrating and infuriating about the continuing debate around inflation. The government understands that the province can do something about it; it just won't do it. The government understands that it has to intervene on the private sector; it just won't do it. The government understands that there's no constitutional problem; it just refuses to recognize it. In other words, the government is delinquent on every single count. Even when it makes a fairly strong admission about things being out of control, it does absolutely nothing about it.

I come back to that food profitability study which was released by the Minister of Consumer and Commercial Relations, who isn't the economic manager of Ontario—I concede that. That point was made by the hon. member for Downsview the other day, and in that sense of course, he was quite right. It's the Premier and the Treasurer who are responsible for the policies we now have.

But the Minister of Consumer and Commercial Relations released the study, and he saw that the quality of that study was gross enough, was offensive enough, in terms of what it revealed, that he indicated quite explicitly that it shouldn't be necessary for some of the companies to receive profits beyond that which they received in 1973. Well then, what do you do when you notice that M. Loeb Ltd. is up 80 per cent in the first 26 weeks of 1974? Maple Leaf Mills is up 68.9 per cent in the first six months of 1974. Canada Safeway Ltd. is up 41 per cent in the first 24 weeks of 1974. J. M. Schneider is up 15 per cent in the first 28 weeks of 1974. Dominion Stores is up 35 per cent in the first 13 weeks of 1974. Burns Foods is up 20.4 per cent in the first six months of 1974. Canada Packers Ltd. is up only 7.4 per cent in the first 13 weeks of 1974. And so it goes.

When one makes the argument as a cabinet or as a minister that food profitability is already high enough, what then does one do when food profitability outstrips one's own maximum? I mean, how many times can the government identify the problem and then retreat from it? It is forever venturing to the brink, and coming back. Some of us would like it to plunge over in a most metaphorical fashion possible and take some kind of initiative.

I had a research colleague who works very closely with me take a look at some of the back evidence. I want very, very quickly, in a kind of machine-gun rapidity, if I can, to read into the record the chronicle of the William Davis year, 1974. Once upon a time I made a speech about the William Davis years, 1971-1974; historians will deal with that. But now I want to deal just with, in effect, this session of the Legislature, Mr. Speaker—just the period when the Premier finally condescended to return to call the House together again in March, 1974. Now, I ask to bear with me, Mr. Speaker.

On March 6 we asked the then Minister of Housing (Mr. Handleman) what he would do about the increase in house prices from $31,000 to $46,000 in the period of that one year and he said: "My ministry will do everything possible to see that that happens," meaning that it be lowered—and that's all, nothing else.

On March 8, 1974, we asked the hon. Minister of Consumer and Commercial Relations about the appraisal of supermarkets and retail prices. What would he do about bringing them under control? He said: "We're continuing to monitor and to meet with Herb Gray." What was the province prepared to do? "Cut back government spending." What about food? "That is not provincial jurisdiction," said the minister.

On March 26, I asked the Premier about a statement in Charlottetown that he would get tough over price increases. What was he going to do with that? The Premier's answer was: "I'll leave it to the Hon. John Clement."

Again, on March 26, 1974, we asked the Premier whether he was going to do anything about the rates of return for the supermarkets. His answer was "no."

On March 13, we asked the Premier what he would do about the cost of living jump announced that day. The Premier said: "Inflation is the most important problem but the province can't deal unilaterally."

On March 29, we asked the Minister of Consumer and Commercial Relations: "What about the rise in bulk milk prices?" His answer was: "We're going to release a food study."

On April 1, we asked the Premier: "What about fuel and gasoline prices and the discrepancy in the figures in the conference?" The Premier said: 'Mr. Speaker, I can't reconcile the figures nor do I intend to."

On April 5, my colleague from Wentworth goes to the Minister of Consumer and Commercial Relations, asks about the rent increases of 10 per cent, 15 per cent and 20 per cent in Metro. The minister says that there is no rent control in this province and they have no plans for it.

April 11, I go to the minister on a question about supermarkets again and the apparent increases in prices, and would he selectively roll back prices. The answer from the minister is "no."

On April 18, I go to the Premier and ask about the milk price increases. "Is there any justification for it?" The Premier says: "I'm not sure 1.6 cents to the dairies is unjustified." But no one looks at the dairies' prices.

On the same day, I ask the Minister of Energy about whether, now that he had rebuked the oil companies—and he was making many speeches rebuking the oil companies—would he set a maximum cost that they could charge the consumer? The answer was "no."

On April 19, we go to the Minister of Consumer and Commercial Relations and ask him if, in the study of the chain stores, he would look into price-fixing or possible vertical integration? He says, "No, not on the information available."

On April 23, we go back to the Minister of Energy and ask him whether there could be price levels for gasoline and home heating oil and would he set legislation to roll prices back. "Always under consideration," he announces, but absolutely no initiative whatsoever.

On April 29, we go to the Premier, asking about the first-quarter profits of Shell, and whether anything can be done to protect the consumer. The Premier says: "We are not contemplating controls." We say to him: "Then he won't lay a finger on the companies?" He replies: "I won't repeat my answer." Fair enough.

On May 3, we go to the Minister of Consumer and Commercial Relations, based on the Canadian Press survey showing profits of 117 companies in the food industry going up to 70 per cent. We ask for intervention; the answer is "no." The answer is as always "no."

Where is the rest of it?

On June 11, we go to the then Minister of Housing about the rent control legislation. The answer is "no."

We raised with the hon. Treasurer on June 14 the question of Nova Scotia legislation on oil companies and whether we would intervene in a similar way. The answer is "no." Specifically through the same period of time, we asked about interest rates, General Motors, Chrysler, Ford, automobile insurance companies—all of the increases—and whether there would be any intervention, and in every single instance the government copped out.

In the period of one short session there have come from this party, particularly of the opposition in general, questions relating to the defence of the consumer in the food industry, in oil and gasoline prices, in home fuel oil, in the automobile manufacturing sector, in the insurance industry, in the cost of housing, in the area of rent, in the interest rates on mortgages, in the interest rates on credit financing and in every single area which involves some protection for the consumer. In every single case the government has said no action. Its no action is the death knell of its political party. It obviously can't go on forever.

I assume that the Premier of Ontario when he winds up is going to deal with the basic reasons about why the government will not intervene. I've never understood them. I've never understood why it isn't possible for the government to take one fractional initiative. You can't imagine what it would do for public confidence, Mr. Speaker. You can't imagine what it would do to make generally oppressed people in the Province of Ontario a little more secure than they are now.

When we asked the Premier just days ago about milk prices—I'll only be two or three more minutes—he indicated to the House that it concerned him because he drank a lot of milk. I'm glad to hear it. So does Marc Lalonde.

Hon. Mr. Davis: I didn't say that.

Mr. Renwick: His family.

Mr. Lewis: His family all drink a lot of milk. He has a particular interest in it.

Hon. Mr. Davis: We are great consumers.

Mr. Lewis: Then the Premier indicated what pressure he'd put on the federal government to get it to maintain the subsidy. I believe that. When they refused to maintain the subsidy, what then does the government of Ontario do about it? In this instance again absolutely nothing.

That's the pattern; total paralysis when it comes to the defence of the consumer. At some point the government is going to have to answer for it.

We are going to maintain the pressure on the government at every single turn in the area of the cost of living day in and day out, because we see it as the issue which is absolutely central to Ontario. We have given to the government by chapter and verse the alternatives we think should be put, from the powers to be given the Ontario Energy Board to the monitoring of food prices across the provinces to a prices review tribunal from food to rent with power to roll back the prices.

We've not pretended a select committee of the Legislature because we don't think that members could manage that kind of expertise. But we have suggested the mechanisms by which the government can cope with inflation. Now the government doesn't intend to cope with inflation. That is clearly the intention. The Premier is going to make some highfalutin and sophisticated and largely sophistic arguments about the problems of constitutional jurisdictions, about the problems of the private sector and about the national implications of inflation. Then he is going to call on the Treasurer to weave his webs of obfuscation and talk to us about figures in the hundreds of millions of dollars which mean nothing to the people who have to cope with the cost of living.

When it is all said and done, when the want of confidence motion is over and when the dust is clear, there will be the same despair amongst the low-income earners, there will be the same frustration amongst the aged, there will be the same frantic, desperation amongst people on social allowances and there will be the same sense of never knowing where it will end amongst low-income earners everywhere. It has become so oppressive for the lowest quartile of the population that none if us here can give words to it in this Legislature and yet this cabinet, this ministry, this Premier will not lift a finger to protect the consumers of Ontario, no matter how vulnerable, how desperate, how frantic any of them may be.

That, Mr. Speaker, is why we support this want of confidence motion and that is why this government and this Premier is a government and a Premier that is currently in trouble in Ontario.

Hon. Mr. White: Mr. Speaker, towards the end of the speech by the Leader of the Opposition the member for Victoria-Haliburton (Mr. R. G. Hodgson) sent me a little note which says: "Old farm saying: He who sells from empty wagon has poor goods." My hon. friend applied this old farm saying to the remarks of the Leader of the Opposition, and I say with very considerable regret that I have to agree. For that reason—

Mr. R. F. Nixon: There is nobody voting for the Conservatives, though.

Hon. Mr. White: —I find it impossible to deal with the wishy-washy woolly remarks which have been made; rather, I will devote myself to some of the more rigorous arguments of the leader of the NDP.

Mr. Renwick: No, no.

Mr. Lewis: The Treasurer is not going to polarize us this time. He is going to try very hard but it is not going to work.

Mr. M. Gaunt (Huron-Bruce): He is trying that old ploy again.

Hon. Mr. White: Before I begin to do so, however, I want to hark back to certain remarks which I made last Tuesday and which I wasn't able to quote exactly. I'm thinking of several recent articles in the Wall Street Journal—

Mr. Lewis: The Wall Street Journal doesn't mean anything to pensioners at all.

Hon. Mr. White: I'm hoping it will mean something to the hon. member. I'm going to turn to the pensioners later.

Mr. J. E. Stokes (Thunder Bay): Him and his triple-A rating.

Hon. Mr. White: Just a minute, I only have 10 minutes.

Mr. Lewis: I am sorry.

Mr. J. R. Breithaupt (Kitchener): He can take all the time he needs.

Hon. Mr. White: The first quote is:

> The prime force behind [inflation] has been long abuilding. It has been the pour-

ing forth of a flood of new money, new buying power. This happens when the [US] federal government spends more money than it takes in. When it does this, new money in effect must be printed up to cover the difference between income and outgo.

The table below traces the federal budget record back to 1965. "Surplus" means more money coming in than going out. "Deficit" denotes a bigger outgo.

Mr. Renwick: Let the Treasurer talk about his government, not the United States government.

Hon. Mr. White: Then it points out that only in one year of 10 was there a surplus by this definition.

Mr. Renwick: There aren't even minor parallels between the government of the United States and this government and the Treasurer knows it.

Hon. Mr. White: We have had a surplus by this definition, which is the only economic definition, in the last two years.

Mr. R. F. Nixon: Baloney!

Interjections by hon. members.

Mr. Speaker: Order, please!

Hon. Mr. White: That was from Mr. John O'Riley in a review of current trends in business and finance.

Interjections by hon. members.

Hon. Mr. White: For any second I lose, Mr. Speaker, I do hope you'll give me some more time on the end.

Mr. Lewis: Of course, but don't be so inflammatory.

An hon. member: He can take it out of the vacuum left by the leaders.

Hon. Mr. White: Now, I want to quote from an article by William F. Kerby—

Mr. R. F. Nixon: On a point of order, Mr. Speaker—

Mr. Speaker: What is the point of order of the Leader of the Opposition?

Mr. R. F. Nixon: I wonder if you could explain to the House why he doesn't have 30 minutes?

Mr. Lewis: Because the Premier wants it.

Mr. Speaker: I have got a sheet here—

Mr. R. F. Nixon: It's not 30 minutes for him—

Mr. Speaker: —agreed upon beforehand by the parties, I would imagine, and it says on my sheet, "White, 10 minutes; Gaunt, 10 minutes; Cassidy, 10 minutes; McKeough, 10 minutes—"

Hon. Mr. Grossman: Cassidy 10 minutes? He'll take 40 minutes.

Mr. Speaker: Then there's extra time for Premier Davis, who, according to this sheet, starts speaking at 5:30.

Mr. R. F. Nixon: So nobody on that side gets 30 minutes? I don't think they want a chance to speak because they haven't any defence.

Hon. Mr. McKeough: It took the Leader of the Opposition 30 minutes.

Mr. R. F. Nixon: Arrogance and bad manners—that's their defence.

Hon. Mr. White: The article is entitled, "How to aid inflation's crisis areas."

An hon. member: Not arrogance—a little too startling.

Mr. R. F. Nixon: I'll judge the case myself.

Hon. Mr. White: One paragraph said:

> Importantly, savings from budget cuts and the additional tax revenues must not be treated as funds available for expenditure; they must be used for reduction in the national debt

Now, sir, applying that proposition to Ontario, we have in the last 18 or 20 months reduced our outstanding public debt by $594 million—

Interjections by hon. members.

Mr. R. F. Nixon: And borrowed $900 million. That's just great.

Mr. Renwick: That is an absolutely fallacious statement and the Treasurer knows it.

Hon. Mr. White: Then there is a third article here which I will come back to if time permits.

The Leader of the Opposition said Penn Central had a triple-A rating—

Mr. R. F. Nixon: I said an A rating.

Hon. Mr. White: In point of fact, they didn't have an A rating. Penn Central's rating as of May 9, 1968, was B. They went into receivership on June 21, 1970. Their

collateral trust notes, fully secured, were CAA as of May, 1971. So he was actually incorrect again—

Mr. R. F. Nixon: Their 'A' rating was still effective in May, 1971.

Mr. MacDonald: The Treasurer would fail a freshman class that came back with that kind of circumstance.

Mr. R. F. Nixon: Who else has got a triple-A rating?

Hon. Mr. McKeough: It has taken us 32 years to get rid of the legacy that Hepburn left this province in New York.

Mr. R. F. Nixon: It would only take a few months to displace the government.

Hon. Mr. White: The Leader of the Opposition came on with an introduction to which I fully subscribe. We are dealing with inflation as an international problem, a continental problem, a national problem—

Mr. Lewis: And a provincial problem.

Hon. Mr. White: —just a minute—and the national government has obvious responsibilities. He went on to say that the provinces had responsibilities too—

Mr. Lewis: Right.

Hon. Mr. White: —which I am going to accept and I am going to try to detail our response. I would go beyond that, in fact, and say that the municipal level of government, and, indeed, the private sector, have obligations also.

Mr. Renwick: The Treasurer should talk about himself at the moment.

Hon. Mr. White: However, what did we do to deal with the matter of inflation? I am going to recapitulate and update what we have done in the last year or so.

The 1974 budget aimed to:

Offset the damage of inflation among those most vulnerable to its effects—and I am going to describe that in a minute.

Restrain the impact of inflation by stabilizing land prices and holding down transit fares—and we did that.

Stimulate supply to stabilize prices in sectors experiencing high demand pressures—and those measures are working.

Share with the people of Ontario the inflationary profits from Ontario's unique endowment of natural resources—and I am going to detail the results of those, very, very important moves.

And share with the municipalities Ontario's resources to ensure a sustained quality of service without undue pressure on local tax rates.

Now, sir, this is the time to report on our advance toward these goals. To offset inflation, Ontario introduced GAINS, the guaranteed annual income for the elderly, blind and disabled.

Mr. Renwick: It is not working.

Hon. Mr. White: The guaranteed level for a single person has been increased in October to $225 from the start-up level of $216.67. For a married couple the level is now $450, up from $433.33, well ahead of the inflationary increase.

We had increased welfare measures, I think it was last Jan. 1; we increased them again a month ago by 15.2 per cent, which is probably twice the increase in cost according to the CPI during that same period of time, determined as we are that the burden of inflation shall not fall on the poorest of our citizens, and you will see more moves, no doubt, from time to time in the future.

Mr. Lewis: But look at the base level to which the percentage was applied.

Hon. Mr. White: Family benefits assistance has been increased correspondingly to shoulder the essential needs of this group. This programme which will cost $84.2 million, like so much we have done this year preceded similar advice which had been recently advocated by some of North America's leading authorities on the economy.

Now I am going to quote Paul McCracken —a highly respected person—from a Wall Street Journal article of May 29, and don't forget we brought in our budget April 9. He said: "A strengthening of existing income maintenance programmes must be a part of any well-rounded approach to economic stabilization." And we did that weeks before the advice was offered.

Mr. Lewis: There is something pretty fundamentally wrong when the Treasurer of Ontario spends all his time reading the Wall Street Journal.

Mr. Stokes: And Fortune magazine.

An hon. member: And Playboy.

Hon. Mr. White: We enriched the Ontario tax credit system by doubling the basic

property tax credit to $180, increasing the pensioner tax credit to $110, focusing the new balance on those most in need while sustaining support to middle income families by an increase in the offset rate to two per cent of taxable income.

How do these benefits find themselves distributed? Of the $375 million in benefits expected for 1974—up from $305 million—$180 million goes to those with incomes under $5,000; $124 million to those with incomes between $5,000 and $10,000; $71 million to those with over $10,000 income.

Of the $180 million to those with incomes under $5,000, almost two-thirds goes to pensioners. Now, sir, I accept the criticism that this is an annual rather than a quarterly or monthly payment. This, unfortunately, is the responsibility, in a sense, of the federal government. However, I would like to inform the hon. members here and now, if they don't know it already, we have advised the federal government that we are taking over our own tax credit system independent from the federal personal income tax mechanism as of January 1976, so we will be able to pay out these very substantial credits on a monthly or quarterly basis, and that disadvantage will be washed out.

Now, sir, on this point, Arthur Okun, distinguished research fellow of the Brookings Institute in Washington, DC, recently recommended a tax credit method for the United States as the best method to compensate fairly for inflation.

The September edition of Fortune recommended a programme to President Ford which recommended additional tax breaks at the low end of the income scale—and that's exactly what we have done.

We are providing free prescription drugs for the elderly receiving the federal guaranteed income supplement.

Mr. R. Haggerty (Welland South): Some, yes, not all.

Hon. Mr. White: We are providing increased exemptions under the retail sales tax for a number of hygiene items. Measures to restrain inflation are working. I am thinking now of the land transfer tax and the land speculation tax.

Mr. Speaker: The hon. minister has a minute left.

Mr. Lewis: Oh, give him time.

Mr. R. F. Nixon: We will give him all the time he needs.

Hon. Mr. White: The average price of a house in this city was $57,461 in May and in September it has dropped to $54,321.

Mr. Haggerty: That's hard to believe.

Hon. Mr. White: I have a list, sir, of new measures to assist small business, to stimulate the house sector, a recapitulation of changes regarding small business tax credits, debenture investment corporations and mortgage investment corporations. I say to you, sir, that we have fully met the suggestion of the leader of the NDP when he started his speech here today in saying, of course, the federal government has some responsibility too. Our whole budget on April 9 was a recognition of that fact. I have tried to point out here, breathlessly at breakneck speed, how it has worked in the seven or eight months we have had since that time.

Mr. Renwick: That's the weakest defence I have ever heard the Treasurer make to an attack on the government.

Mr. Lewis: the Treasurer has done nothing about prices or profits. He has juggled figures. He hasn't dealt with realities.

Hon. Mr. White: In conclusion, I want to say that I believe in my heart we have shown strong leadership in the fight against inflation. We have introduced imaginative and innovative policies and we have sustained the high performance of the Ontario economy. In September, the seasonal adjusted employment rate stood at 4.5 per cent for Ontario as compared to 5.8 per cent for Canada. I believe this record of achievement must command the support of all sections of this House. Thank you.

Mr. MacDonald: That was not the Treasurer's finest hour.

Mr. Gaunt: Mr. Speaker, just to put the Treasurer's mind at ease, I want to say that I am going to support this motion of my leader and reject the argument which the Treasurer has just put forward. I must say that I can't quite follow the Treasurer's logic in some of his statements, particularly in his defence of the debt that this province has. It seems to me that the Treasurer has a philosophy of borrowing money in order to get out of debt. As a farmer from Huron county, I just can't quite understand that.

Mr. R. F. Nixon: They love it on Wall St.

Mr. MacDonald: He juggles the books.

Mr. Gaunt: I want to make a few comments with respect to food, which is a part

of this motion. During this highly inflationary period a good deal of focus has been centred on food prices, which is quite understandable. However, I want to say that food is still a good buy with few exceptions, compared to other countries in the world, and I will talk about one or two exceptions in a moment.

First of all, let me give the House some figures which indicate the food budget as a percentage of consumer expenditures. These figures are in the United States; Canada is approximately one per cent higher. For the second quarter of 1973—this is the food budget as a percentage of consumer expenditures—it was 17.5 per cent. The second quarter of 1974 was 18.5 per cent; so it is up about one point in the US and roughly the same here. Further, here are some figures showing food as a percentage of total disposable income, which perhaps is a more accurate figure. Once again these are US figures. They are second quarter of 1973, 15.7 per cent; second quarter of 1974, 16.6 per cent. Here again it is roughly one per cent higher here in Canada than in the US.

By way of comparison, in 1960 it was 20 per cent; in 1970 it was 16.2 per cent; and in 1972 it was 15.3 per cent. So we can see that it has gone down since 1960 and since 1972 has started to move up again.

Now some figures from Canada; these figures are from Statistics Canada, based on the average industrial wages in the years indicated, and point out how much time a person has to work in order to earn some basic foodstuffs. In 1961 the average industrial wage was $1.83 per hour; in 1974 it is $4.09 per hour. Those rates are the basis of these figures.

One pound of sirloin steak in 1961 took 32 minutes to earn; in 1974, 23 minutes. One pound of pork chops in 1961 took 24 minutes to earn; in August of 1974, 22 minutes. One pound of bread in 1961, five minutes; in 1974, five minutes — exactly the same. One quart of milk in 1961, eight minutes; in 1974, six minutes. One pound of apples in 1961, six minutes; in 1974, six minutes as well.

It can be readily seen from these figures that it takes the same amount of time, or in some cases less time, to earn essentials than it did in 1961. These figures do not reflect the circumstances of everyone, because everyone is not earning the average industrial wage. There is no question that those earning below that amount, plus those on fixed incomes, are experiencing considerable difficulty with rising food prices. Those people need to be assisted by government to meet the additional pressures.

In that regard, the provincial government has not done nearly enough. Even though food prices have gone up in absolute terms, farmers have not benefited because their input costs have gone up substantially higher than food costs, plus the fact that very little of the increase in the price of food has returned to the farm gate.

Statistics Canada—this is for eastern Canada—outline part of the problem, and I want to relate these figures to members. They are the farm input price index costs based on the base period of 1960 equalling 100. In the second quarter of 1973, the index stood at 163.9; in the second quarter of 1974 it stood at 193.7, which is an 18 per cent increase in one year.

Let's take a few commodities here. Let's take feed, first of all. In the second quarter of 1972 the index sat at 156; in the second quarter of 1974 it was 200.5, which is a 28 per cent increase in two years. Fertilizer in the second quarter of 1973 stood at 112.2; in the second quarter of 1974 it was 152.5, which is a 36 per cent increase in one year. At the same time our beef farmers are faced with falling prices.

I just may say, while I am on this topic, that the programme announced by the minister on Friday has received, in my area of the province at least, a very negative reaction. They feel that it is just a programme which is going to get the beef producers deeper into debt and really isn't going to alleviate their circumstance at the moment.

The cow-calf operators are particularly hard hit and the feedlot operators are too; there is no question about it. As far as the cow-calf people are concerned, I understand it takes about 55 to 60 cents to produce a calf to 300 to 400 lb and they are selling at around 35 cents at the moment. So it can be readily seen there is certainly no money in that enterprise, and hasn't been for the past few months.

Hog prices: The hog people are losing money, or at the very best are just breaking even.

As far is the cattle situation is concerned, cattle don't come under a marketing board. They have no marketing board for cattle. And yet these low prices have not reflected themselves in the marketplace, in the store. The consumer really hasn't received the full benefit of these low prices, even though

there's no marketing board for beef cattle. I say that, because I think marketing boards have fallen into disrepute; perhaps because of the egg situation we read about a few months ago.

It's unfortunate. I think there is a tragedy associated with that, but I don't want to go into it other than to say that, in my view, I think marketing boards must have some form of public accountability.

One of the ways, in my view, is to have advisory boards attached to each marketing board. Consumers would be represented on the advisory boards. Consumers, in my mind, don't have the right to be part of the industry or commodity management decisions, but they do have the right to know what's going on.

Mr. Haggerty: The leader of the NDP agrees with that, does he?

Mr. Lewis: That's probably a good point.

Mr. Gaunt: If consumers are locked out, marketing boards will be breeding grounds for consumer suspicion. Farmers can't afford to let that happen; it's too important to them. The must maintain consumer confidence.

Mr. D. M. Deacon (York Centre): Darn right.

Mr. Gaunt: However, there are several products that are an exception to the general statement that food is a reasonably good buy. The prime example of that is sugar. Great Western United Corp. had a 1,200 per cent increase in the corporation's after tax profits during the four-month period ending Sept. 30 this year. Net income was $20.96 million, compared with $1.6 million for the same period in 1973.

Mr. Lewis: Not a bad increase.

Hon. Mr. Grossman: Sweet operation.

Mr. Gaunt: They certainly have a sweet operation going for them.

In September alone, the company's profit was $15 million, compared to $1.8 million in September of 1973. Frankly, I think that's nothing short of scandalous.

The profit picture in Canada has been rather difficult to pinpoint for the same period. The only way I could get any figures for comparison purposes was from the report by the tariff board in 1971. In that study of the sugar industry, it was pointed out on page 271 that: "On a 10-year average, the refineries margin in Canada has exceeded that in the US by 29 cents and that in Great Britain by 68 cents per hundred weight." And for the period 1965 to 1970, the figures were 43 cents and 80 cents, respectively.

If the same situation pertained in 1974, then the profit picture of our sugar companies would be over 1,200 per cent for the last four months.

Mr. Lewis: I think they have been.

Mr. Gaunt: The report goes on to further state:

> The published reports of Tate and Lyle Ltd., which controls Canada and Dominion, now Redpath, with refineries in Montreal and Toronto, reveals certain interesting figures on their refining operations for the years 1967, 1968 and 1969. In those years, the turnover in Canada was 15.6 million lb, 18.7 million lb and 21.6 million lb, respectively, as compared with 116 million lb, 127 million lb and 199 million lb in Britain. On these amounts, the profits before taxes in Canada were £2.3 million, £3.7 million and £3.2 million compared to £5.7 million, £3.3 million and £2.5 million in Britain.

In other words, our Canadian refineries made more money in the two out of the three years, even though the British refineries had approximately seven times more volume. But the fact that Canadian sugar prices over the years have been higher than could be justified, is apparent from the report when it says on page 271:

> The price of refined cane sugar in Canada appears to be based primarily upon considerations not as closely related as is desirable to such factors as production costs and competitive pricing. It is based on a formula related to the London daily price for free market sugar, adjusted by a variety of factors. This situation has a further characteristic that one company is the price leader and the others assume that the refiner's margin of the price leader is constant in the short run.

In other words, what we have here, according to this report, is a pricing cartel. There's no competition in the marketplace. That's what we have here.

This is further substantiated by the fact that the anti-combines people have taken these companies—Redpath Industries Ltd., Atlantic Sugar Refineries Co. Ltd., St. Lawrence Sugar Ltd. and SLSR Holdings Ltd., the largest refiners in eastern Canada—to court. They're now standing on trial for charges of conspiring to enhance prices and lessen competition from 1960 to 1973. It's

little wonder and it's just about time, because not only do they fix prices and control the market, they also control it so finely that their production really doesn't relate to their productive capacity in any way. In most cases, they've been producing anywhere from 50—even down as low as 37—per cent up to 80 per cent of their productive capacity. So they just produce and tailor it to the market demand and raise their prices. That's obviously what they're doing.

This government is to blame for some of the price gouging, because this government allowed the sugar beet industry in southwestern Ontario to die. Had it been kept alive by help from this government, we in eastern Canada would have had a buffer against sharply increasing prices. This way we are entirely dependent on imported sugar. Meanwhile, the government sits idly by and lets this happen to our consumers in Ontario. In my view, it's shameful. It's just one of many indications of this government that they have become unresponsive to the needs of our citizens.

This government, first of all, should revive the sugar beet industry in this province. I would also suggest that the government could get into the sugar refining business, as Quebec has done, by getting into the refining business itself or by buying the controlling interest in a refinery in this province. While that may be seen as socialism on the part of some of my friends opposite, I think that's exactly what the Minister of Energy (Mr. McKeough) is eventually going to come around to with respect to the oil companies and oil prices.

Mr. Deacon: There is even a large plant in Chatham that is available.

Mr. Gaunt: Yes, I understand that's so. What we need in this province is action and not excuses. As far as I'm concerned, I think we have to have action with respect to sugar.

As I said at the outset, this is one example of a situation in which I feel our consumers in this province, in relation to food and food pricing, are being gouged. Sugar prices influence a great many products on the shelf. When one goes into the supermarket and counts up the number of food items that contain sugar, one finds a great percentage of them do so. And so the sugar prices are reflected in the prices of those food products which contain sugar.

In conclusion, Mr. Speaker, I've taken my time and I want to end up by saying that I fully agree with the motion put forward by my leader, and I urge all members to support it.

Mr. Speaker: The hon. member for Ottawa Centre for 10 minutes.

Mr. M. Cassidy (Ottawa Centre): Thank you very much, Mr. Speaker. I want to make a few comments about inflation as it affects the riding of Carleton East, since it so happens that the electorate in that riding will be making a decision about their views of the Premier and the Conservative government's anti-inflation policy in the next week and a half. I want to talk in particular both about the candidate in that area and his stand on inflation, and I want to talk about what this government is doing in relation to the inflation in the cost of housing in the suburban riding of Carleton East.

There is something very peculiar happening in that area, Mr. Speaker. First, because there happens to be a Davis candidate there who has done his best to dissociate himself from this government's record. He is not proud of the record. He has said that the "big blue machine" will not be involved in the campaign. He has not asked the Premier or any cabinet minister to go in since the day of his nomination.

Mr. Breithaupt: He's putting $50,000 up.

Mr. Cassidy: He has dissociated himself from the threats made by Fern Guindon and said he was very embarrassed by that. He is dissociating himself in his television commercials from Bill Davis.

Mr. Speaker: Order please; order please.

Mr. Cassidy: There is no check on his position to spend, Mr. Speaker.

Mr. G. Nixon (Dovercourt): Come on. Get on with it.

Mr. Speaker: Order please. I wonder if I could remind the hon. member for Ottawa Centre that members are referred to by their ridings. When he refers to the hon. member it should be as the member for Peel North (Mr. Davis) and not by name.

Mr. Cassidy: I quite agree. Yes, I quite agree, Mr. Speaker.

The candidate for the Davis party in Carleton East is seeking to dissociate himself from the record of the member for Peel North and is trying to make it as unclear as possible what party he happens to be running for. There is very good reason for that, because as far as inflation is concerned there has not been a single step taken by this gov-

ernment which has in any way benefited or protected the people of Carleton East from the inflation which is raging across the province at this time.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): And he'll win, despite what the member says.

Mr. Cassidy: What's that?

Hon. Mr. Winkler: Despite what the member says, he'll win anyway.

Mr. Cassidy: We'll see about that. I think it's pretty arrogant for a candidate to simply pretend that no election is going on.

I want to give this House a kind of vignette of what happens in Conservative Ontario, which I find really gets to me, because this is what's been happening for so long in the 31 years this government has been in power.

On a street called Swan's Way in the township of Gloucester, in some federally-assisted, rent-controlled housing, lives a lady named Mrs. Mildred Nesbitt. She is the widow of a man named Nesbitt who, some 2 or 25 years ago, sold a tract of land of about 20 or 25 acres in the Rothwell Heights area. Mrs. Nesbitt is practically destitute and she is desperate for decent housing which she can't in fact, afford.

She can't afford what she has right now and there is no senior citizen housing in Gloucester township for which she would be eligible. Clearly, she has not benefited from the fact that some 20 years ago her husband made a sale of land. Those 22 acres of land, Mr. Speaker, are now on the market for about $500,000. It happens to be the last tract of unspoiled and undeveloped land in Beacon Hill North and Rothwell Heights in the northern part of Gloucester township; and the owner of that land, who wants $500,000 for it, is very anxious to let the land be sold for recreational purposes. He wants his pound of flesh.

So here, on the one hand, you have a widow who is destitute in Conservative Ontario; and on the other hand you have the man who bought, for a few thousand dollars, land that had been owned by her husband and who now is asking $500,000 for those 22 acres for residential development. The man who owns the land, of course, is Bert Lawrence, who was the member for the area and who, over the period of time that he represented that area, was unable to get any workable scheme of public land ownership in the area that would benefit people like Mrs. Nesbitt, but on the other hand was able to make land investments for speculation which were very profitable for his own private pocket.

Surely that's a vignette of what's been happening in Conservative Ontario; that the government, its friends, its ministers, its people, having been lining their own pockets at the expense of the people of Ontario, who now simply cannot afford decent accommodation at a reasonable price. Whether it's Niven's Wood or any other land in the area of Ottawa, the prices have gotten completely beyond belief.

I can give another example. While I was canvassing in Carleton East a short while ago I dropped in some homes that are called carriage homes; quite nice homes, almost townhouses, with garages connecting the units. They sold in 1971 for about $22,000. At the time, that was a price that was within reach of many working families in the Ottawa area; and many of the families that in fact moved in were semi-skilled, held down white-collar clerical jobs in the government and had incomes in the range of $6,000, $8,000 or $10,00 a year. Those houses are now almost the cheapest accommodation available for families in Gloucester township and Carleton East and they're selling for $42,500. Because of the increase in mortgage rates, the price per month of running those homes has gone up from about $200 a month to something well over $400 a month. There are other homes available in the area but the price of all them is equally outlandish.

I started at the bottom, with two-bedroom apartments in Sutton Place in Gloucester township, selling for $25,000 and costing $300 a month, and therefore requiring an income of at least $12,000 a year. It so happens that half of the people living in Gloucester township make less than $12,000 a year in family income. Many of them are well housed; but a third of them are tenants and they have no protection through rent control, rent regulation, adequate accommodation or any other means from the soaring cost of housing that has happened even since 1971 alone under the Bill Davis government —no protection at all. Nor have the adults' children, the 19 and 21-year-old children of the families who moved to Gloucester some time ago, any protection when they go out in the housing market and find that just to begin they need an income of $12,000 a year in order to afford a minimum two-bedroom home, not really very suited for kids, in William Davis' Ontario.

I look through the advertisements in a recent Ottawa Citizen—the Saturday paper which has the ads—and I find that once one leaves Sutton Place he goes very quickly to about $35,000 for two-bedroom condominiums and $40,000 for three-bedroom condominiums, some of which are on the ground, at prices of $380 to $400 per month and therefore requiring family incomes of around $15,000 a year.

It is very curious to go through this area and to see what inflation has done to the lifestyles of people moving into Ottawa. The area is wall-to-wall town housing. People are moving into town housing now, not because it provides an economical alternative to semi-detached and detached housing, but because it provides the only kind of family housing they can strain to afford. The advertisements indicate that the prices of housing on a monthly basis are running in general around the $400 mark per month. If one is talking about a detached house, one is talking about $60,000 or so, which is of the order of $600 or $700 a month or an income of over $20,000 a year.

Mr. Speaker, it is clear that the Premier, his various housing ministers—I think about seven or eight of them have been on that hot seat up until now—and all the other people who have been involved, simply do not understand the problems that people are having with housing these days. They will not speak to it, they will not defend it and they claim things are happening at a time when housing starts are in gross decline in the province. The man they have put forward to be the Davis candidate, the candidate representing the member for Peel North in the riding of Carleton East, simply won't come to grips with the issues that are troubling people in Carleton East and throughout the province.

It is very curious but there is this undercurrent of feeling across the province which one can't put one's finger on. People won't say: "I am suddenly converted to be an NDP, or, God forbid, a Liberal." All they know is that they have had it with the member for Peel North and they have had it with the whole kit and caboodle of the people who have been sitting idly by while this province has gone to rack and ruin with rates of 10 and 12 per cent inflation, and while the inflation has continued with nary a piece of action on behalf of the government to stop the price gouging.

They fear, they know, they suspect that the reason the government has done so little in the field of housing is very simply that this government has for too long been in bed with big developers and it doesn't know how to get out the other side.

In Carleton East they can see the spectacle of an Ontario government which is encouraging local politicians who for various reasons are in bed with developers and who have been creating new growth areas along the Rideau River in the south end of Ottawa with developers' land. They now see that the Ontario government, far from resisting that trend and far from resisting the land price rises that has permitted, aids and abets it by going to the same developers and saying: "Fine, here's some handouts under the Ontario housing action programme. Make us some promises and we'll pretend these are new lots."

People in that area and people in my area who want housing at prices they can afford see this happening, while at the same time they see no action at all being taken by this government in the case of the very large federal-provincial land assembly at Carlsbad Springs, which is an equivalent distance from the core of Ottawa. Nothing is being done there. All sorts of reasons are being found to explain why the land is difficult to develop; why it is going to take time; and why, it is said, the local people are right to want to defer development of that particular land.

If that be the case, then let's see the Ontario government come into other parts of Gloucester and Osgoode townships and the east end of Ottawa and find other land that it can develop publicly in order to make housing available at reasonable cost.

If you want to come back to Bert Lawrence's land; he wants to develop it for $80,000 and $90,000 luxury housing, while leaving a certain portion available—a few acres—as a kind of wildland park.

Now there are other tracts of land of similar size perhaps selling for about the same price. Once the land is carved up into lots, then the price of land, even at $22,000 an acre, suddenly jumps to $50,000, $60,000, $100,000, or even $200,000 an acre. And that is passed on to the people who buy those homes and the people who rent those homes in the Premier's Ontario. It is passed on to them because the government has no idea of controlling the price of land, which has been one of the major aspects of inflation in housing prices—and is the major aspect of the inflation of housing prices that is within the control of this particular government.

All we have are a few hundred HOME lots here and there, which are put out by the province. They provide a solution for those people who are lucky enough to win

the lotteries and get those particular dwellings. But they have no solution at all for the people who are knocking on the door, who have families, who have dependants, who want to raise kids in a decent environment, who want to get what they used to be able to dream about—decent housing at a reasonable cost.

Those HOME lots are no protection for people who are tenants and who want decent family accommodation. They are no protection for people who need subsidized housing and find that there is none in Gloucester township; that there is no new rent-to-income housing being built; that there is no innovation being taken in any substantial matter by the government in order to provide for people who are in the $100, $120, $150 a month rent category and find that no accommodation is being made available.

Now, when a government wrings its hands and looks at anywhere between half and two-thirds of the population of the province with family incomes below the levels that are required to rent or own property in the province today, and says: "It is not our responsibility; we won't really do very much about it; it's the federal government; it's somebody else; it wasn't our fault—then I would say that it is time for that government to hand in its time cards, to go out to pasture and let somebody else do the job. Because this government is not doing the job on inflation that it needs to do.

Mr. Speaker: The hon. member for Chatham-Kent for 10 minutes.

Hon. Mr. McKeough: Mr. Speaker, I thought it might be helpful if I started by looking rather carefully at the motion:

"This House regrets the failure of the government to bring forward effective programmes to moderate the inflationary pressures."

I have little doubt that it took a long time for our friends in the Liberal caucus to find that word. They might have used the words relieve, or blunt, or subdue, or reverse. Instead, they came up with the word "moderate," which was probably the only word that could lay blame on the doorstep of the province, while completely avoiding splashing the mantle of their friends in Ottawa.

It invites two responses. In the first instance, we have moderated these pressures—Ottawa notwithstanding. And the second instance, the hon. Leader of the Opposition is equally charging all provinces, because inflation has been consistent over the entire range of responsibility of the government of Canada; over all the provinces. That is predictable. It is pretty hard, I would say to my friends—and I am sorry the Leader of the Opposition isn't here—it is pretty hard to hold down the level of the water on one-tenth of the surface of a rising lake. And that is what he is proposing to do this afternoon.

Mr. T. P. Reid (Rainy River): They don't all have $8 million to spend—

Hon. Mr. McKeough: All provinces have become aware of this difficulty when applied to inflation in Canada. Inflation is equal across the nation.

Mr. Reid: The federal government—

Mr. Speaker: Order please.

Hon. Mr. McKeough: The government of Canada, sir, is firmly on record that it is due to world-wide circumstances beyond the control of the national government.

The Leader of the Opposition implies that it is within the control—the specific word is "moderation"—of the provinces. And by the time another election rolls around, federal or provincial, Ontario and Ottawa Liberals, presumably, will have found some common and self-serving grounds. Well my field, sir, is fuel and that is what I propose to discuss with hon. members for a few moments.

Mr. Reid: Natural gas is more up the minister's alley.

Hon. Mr. McKeough: I don't know if the unique qualities of the hon. Leader of the Opposition acquaint more precisely with coal, oil or electricity or just plain gas, but I have my suspicions.

I will touch on all energy sources. Let's look at oil first. When the last decade ended —and that was only four years ago—crude oil from the Persian Gulf, known in the trade as light Arabian, moved into world markets at about $1.40 a barrel. At the end of 1972, it was within pennies of $2 a barrel.

I do not have to recapitulate for hon. members the trauma of 12 months ago, when the middle east troop movements and oil price movements became inextricably intertwined. It is enough to note that it tightened the co-operation and the organization of petroleum exporting countries and the price of crude oil in the world trade rose almost vertically to close to $10 a barrel.

The figure used today—it's close enough for our estimates—is about $11.50 a barrel. The precise figure is less important than the fact

that the price of oil in the past year and a half has inflated by some 400 per cent plus.

Mr. E. Sargent (Grey-Bruce): The minister should tell them how he goofed at Ottawa in the oil talks.

Hon. Mr. McKeough: Well, one would ask if the government of Ontario should have moderated that increase.

Mr. Sargent: Talk about Ontario, not the world.

Hon. Mr. McKeough: Should the government of Ontario have moderated that increase in the price of oil? Obviously they could not.

What was going on in Canada at that point in time? The price of crude in Alberta was $2.77 as long ago as 1956. It dropped, moved up a little during the 1960s, and from April, 1972, to August, 1973, recorded five price increases totalling 95 cents a barrel. That took the price to $3.80 a barrel wellhead.

Mr. Sargent: Why doesn't the minister write his own speeches?

Hon. Mr. McKeough: After much urging from the leader of this province, the government of Canada finally sought and gained a voluntary freeze at that price level. Finally in January of this year, the long-sought first ministers' conference was achieved; and out of that conference came the price, which still prevails, of $6.50 a barrel.

Well, the hon. Leader of the Opposition wants that price moderated. What does he mean by that? Is it a nickel a barrel, or $1 a barrel, or back to $3.80? What club does he suggest we use to beat the producing provinces into submission?

I can take the hon. members of the House through the circumstances as they relate to natural gas. On Sept. 4 I issued a very lengthy report to ensure that hon. members had access to the most current information, and they received a relatively detailed report on the meetings that had taken place, the outcome of those meetings, the aspirations of the producers and the prospects as to supply and price.

Well, would the hon. Leader of the Opposition, I think it's fair to say, have moderated that price? How? Given his militancy here this afternoon—at one point he suggested, if I heard him correctly, that the Ontario Energy Board was going to regulate the price of gas in Alberta, which was a fatuous silly statement—the militancy which he showed this afternoon would seem to me to indicate he's prepared to send troops into western Canada to try and settle the price.

I don't know of any obvious way other than through the leadership which is finally coming forward, as shown by the statement on Friday last by the Minister of Energy, Mines and Resources indicating that the government of Canada is prepared to regulate the price of natural gas in Canada, something we have suggested for the last year and a half.

The price of coal from the United States suppliers has risen 53 per cent in 1974 as compared with 1973. The question stands: Would the Leader of the Opposition moderate the price of US bituminous coal coming into Canada?

I say, Mr. Speaker, let's just call it the way it is. In the world fuel game, the energy game, we don't hold trumps. We don't even hold, in Ontario, any face cards. In the national energy game, as I phrased it on Sept. 4 last, we can plan in this province, we can propose, we can discuss, we can negotiate, but vital decisions in the energy field are beyond the sole decision-making capability of the government of Ontario. We can do those things and we are doing them and we are accomplishing.

The hard fact is that Ontario always brings a great deal to the negotiating table at any national discussions. We are a large, important and desirable market. We have financial resources that can be deployed as necessary in the interest of the people of this province, and throughout Ontario there is a great reserve of human capacity, ability and commitment, much of it in this Legislature. And I must note in passing that a disproportionate amount of it is found on this side of the House.

We do not think, sir, that the national interest is served by an unreasonable escalation in energy prices. Nor is the interest of Ontario. But we do not have a monopoly in defining the national interest or, for that matter, in defining the prices of fossil fuels. The evidence is that the producing provinces both define it in somewhat different terms than the consuming provinces.

We take our stand for a reasonable price, and in taking that stand we acknowledge that price must perform the function of calling out needed supplies. That certainly does not mean that price must multiply. Nor should the additional price so invite the attention of the royalty collector and the federal tax gatherer that it has no impact on the long-term supply.

I don't think it is particularly productive for me to take sides in the arm-wrestling that is currently taking place between the government of Canada and the producing provinces over revenues related to energy supplies. But all members of this Legislature must agree that it is counterproductive, that it is causing anarchy in the producing industry and that it results in the higher prices Ontario consumers are paying for fossil fuels being diverted into public pockets and leaves little residue that could call out extra and needed supplies.

We do have the ability to influence what takes place at Ontario Hydro. Look at the record there: On Sept. 26 Hydro issued a press release dealing with the rates for 1975. None of us wants to see rate increases, but the fact is that Ontario Hydro has succeeded in holding those rates pretty close to the rate of inflation throughout Canada.

What are the costs that Hydro has had to deal with? In the first eight months of 1974, 27.6 per cent of Ontario Hydro's generating capacity was powered by coal. I've already noted that the cost of US coal to Ontario Hydro has risen by up to 53 per cent in the first eight months of this year.

All in all, the increased price of hydro to the consumer experienced in 1974 and projected for 1975, when considered in the light of unavoidable increases in energy variable costs alone, is not bad; in fact, the record is very good.

We would like it to be better. That's one of the reasons the Energy Board has spent long months in discussions and examinations with Ontario Hydro and has prepared the most careful reports dealing with the most important subjects of the cost to consumers, the protection of the environment—the wide range of areas of direct importance to this Legislature and to the public. They've done a good job for the people of this province.

If the Leader of the Opposition has some secret weapon which he certainly didn't unveil this afternoon—

Hon. Mr. White: He certainly did not.

Hon. Mr. McKeough: —that would enable us to roll back price or, to use his weasel words, to moderate inflation of fuel costs, and that has its impact on food and rent, not to mention the necessity for additional public financing, then I wish he would reveal it, because he didn't reveal it this afternoon and in my view it doesn't exist.

This, sir, is a gimmick motion designed to exploit the fact that fuel prices have risen—that all of us are concerned about inflation. There is a simpering hope from a simpering leader that honest concern as to the inflation across Canada might be turned to the advantage of the Ontario Liberal Party. It is about as equally relevant to introduce a motion regretting that the government had failed to moderate the time at which the sun comes up and deserves about as much attention.

Mr. Sargent: What a line. Sit down, sit down.

Mr. Speaker: The hon. member for York Centre has the floor.

Mr. J. Riddell (Huron): That speech was no better than the one the minister gave at the ACRO conference in Windsor last week. Political gobbledegook and it did him a lot of harm.

Mr. Speaker: Order, please.

Hon. Mr. McKeough: We made a great contribution there.

Interjections by hon. members.

Mr. Deacon: Mr. Speaker, we certainly have heard a lot of energy coming out of the Minister of Energy to no avail, just like a lot of the energy from this government has been to no avail except to feed the fires of inflation in this province. I wish to support the motion of non-confidence put forward by my leader because in three areas—housing, bureaucracy and social assistance—this government has been causing inflation to proceed at a rate unheard of anywhere else in this country; and the Ontario government is the major cause of it.

Mr. G. Nixon: No. The member is wrong.

Mr. Deacon: Back in 1951-1952, a fellow by the name of Oliver Crockford out in Scarborough was causing to be produced plenty of housing in a cost area of $13,000. Those houses are now costing in the order of $60,000. But the cost of constructing those houses hasn't gone up—

Mr. G. Nixon. The member is wrong.

Mr. Deacon: I am not wrong. Tell me where I am wrong. The cost of construction of those houses has gone up in the order of 150 to 200 per cent, but the lot cost has gone up between 400 and 600 per cent. It is the land cost that has caused this spiral—

Hon. Mr. Davis: That is why the member supported the land speculation tax with such enthusiasm.

Mr. Deacon: —this tremendous increase in cost. Now what has caused the land cost to escalate? It has been the Tory ineptitude or it has been a Tory scheme to make profit for themselves and their friends by creating a shortage—

Hon. Mr. Davis: That is very distasteful.

Mr. Deacon: —because until 1955, and I know from my own personal experience, it was very difficult to persuade people to buy land as an investment. It wasn't considered a good investment.

Hon. Mr. Davis: Whose friends are those?

Mr. Deacon: The land cost, the lot cost, was 10 to 15 per cent of the total house cost; but because of the lack of services, because of the municipal financial problems caused by this government and its failure to react to their needs—

Mr. G. Nixon: Nonsense. The member is wrong.

Mr. Deacon: No nonsense at all—plus the provincial bureaucracy that was set up, the morass of bureaucracy, it switched this surplus of land available for housing to a shortage. For example, in government bureaucracy we see the spending rise from about $1.8 billion when I came into this House to $8 billion.

Mr. G. Nixon: Take a look at Ottawa.

Mr. Deacon: We have seen the civil service move up from 45,000 to 72,000, to say nothing of the county school boards and the regional government bureaucracy that has been inspired and ordered by the government that is now in control of this province.

In addition to those higher costs it has reduced the responsibility and the accountability that was possible when local people had control. The grant systems that have been put in have been nothing but bribery to spend money.

If you have a grant system, Mr. Speaker, that assures you that for every dollar you spend you only have to actually take 50 cents out of your own local tax sources, then of course that dollar of spending seems to cost only 50 cents; but it really costs $1, and we all know it. It is a non-productive method of providing grant assistance.

Mr. A. Carruthers (Durham): Boy, that is a clear statement.

Mr. Deacon: The third area I mentioned before that I wanted to speak about was the matter of social assistance, where we have been providing help to people on a basis that kills their incentive to contribute and work to produce, not only for themselves but for society as a whole.

Mr. L. Maeck (Parry Sound): Tell us about the unemployment insurance.

Mr. Deacon: When a family of four has a total income of $5,400 and then has to face a 75 per cent rate of income tax, no wonder we have a shortage of help to produce—goods that we need in this area.

Mr. Carruthers: Why doesn't the member talk to his Ottawa friends?

Hon. J. P. MacBeth (Minister of Labour): This is his blueprint for government, is it?

Mr. Deacon: The solution to this problem is three-fold. First of all, with regard to housing, we need to have new types of programmes to deal with the services, and we have programmes available. We have this organic waste treatment programme, or we could even put plenty of housing up in Parry Sound and not cause pollution problems.

Mr. Maeck: Tell us about the mortgage rates.

Mr. Deacon: We have new types of programmes that have been available all over the world for some time. But all we find in this area where housing is so desperately needed is a plan to put 200,000 homes in an area that certainly doesn't need more housing and where the housing should be dispersed away from this class 1 and class 2 agricultural land where the development is to occur. It should be dispersed into areas where we are not going to destroy irreplaceable land that should produce food in the future.

We should be providing municipalities with financial incentive for low-cost housing.

Hon. Mr. White: We are.

Mr. Deacon: No, we are not. The $600 amount that has been suggested is completely inadequate. If the Treasurer had any knowledge of municipal financing and costs he would recognize that is not the approach that is required here.

Interjections by hon. members.

Mr. Deacon: It would take a 10-year programme for a municipality, one under which municipal leaders can see that they can actually make money out of approving low-cost housing. The reason they used to approve subdivisions so readily in the old days is that they actually thought they got more revenue from those new developments than they had to pay out in expenditures.

It is necessary that we again re-establish that situation where municipal officials can see that it pays them to approve low-cost housing, and doesn't cost them more than they can expect in revenues. In this way we can hope to disperse the availability of such housing, which is so desperately needed.

The second thing we need to do is bring in more public transit and make it more flexible. The government has done something in this direction but has refused so far to co-ordinate this with the rail service that is now provided in such a way that it is possible for people to use public transit facilities to more distant points.

It's important that the type of approval for servicing and for all development be dispersed all over the areas where housing demand is evident and not concentrated as the Toronto-centred region proposes. We've got to break up the land monopoly which is making it possible for people to profit to such an extent in land. Regardless of what the land speculation tax—which has caused such chaos in this province—has done in the eyes of the Treasurer to lower the increase in housing costs, it actually won't solve the problem in the long run. It will just frustrate the people who are trying to develop housing for us.

The next thing, with regard to municipalities, is that we should institute a system of unconditional grants, instead of having 90 cents out of every grant dollar as conditional, and institute a system of comparative evaluation of cost benefit of services so that we can eliminate the present incentive to spend and waste.

With regard to social assistance, we should provide a system whereby people do not have to choose between contributing by work or being on welfare. We must provide a system whereby the money spent is helping people to get on their feet—

Mr. Havrot: Like the unemployment insurance fund.

Mr. Deacon: —and not forcing people to decide between being completely dependent on the state or whether they're going to try to make it on their own.

If these three approaches were taken by this government, our party, I'm sure, would be reconsidering the present motion. So far, in the years I've been in this Legislature, they've done nothing but give us a feeling that—

Mr. Havrot: That's progress.

Mr. Deacon: —they're profiting much more by their continual refusal to deal with the sources of inflation. I do support the motion of my leader that we do not have confidence in this government.

Mr. Havrot: The member really doesn't believe that, does he?

Mr. Speaker: The hon. member for Riverdale.

Mr. J. A. Renwick (Riverdale): Mr. Speaker, I want specifically to pick up on the comments that were made by the hon. member for Chatham-Kent, the Minister of Energy, in the debate a few moments ago, because it happens that the area that I wanted to touch upon is in direct response, by happenstance more than by planning, to the remarks which he made. I was, in fact, thinking about my usual opponent, the Minister of Consumer and Commercial Relations, who was to speak shortly before I was, but for reasons known only to him switched with the Minister of Energy. I'm glad he did, in the context of the remarks that I want to make.

I refer, of course, to last Thursday when the leader of this party and then myself followed along in dealing with some of the aspects of the need in the Province of Ontario for this government to have a commodity prices control Act as part of a reserve arsenal of legislation available to deal with the very problems of inflation to which this resolution of the Leader of the Opposition is addressed.

The hon. member for Chatham-Kent referred specifically to the motion that the House regrets the failure of the government to bring forward effective programmes to moderate the inflationary pressures on the cost of living. And he continued to emphasize the emphasis put in the resolution on the term "moderation."

I want to say to the government that while the leader of this party tried clearly to indicate the limits within which the debate was going to take place, that did not mean that there was some general escape hatch for the government of Ontario to pass off the problem of inflation either to a world-wide situation exclusively, to the government of Canada

exclusively or to the municipal governments exclusively. Each level of government has its responsibility to cease being gun-shy about the importance of using every effort which can be used to control the prices to consumers of products.

Mr. Speaker, I want to read the key paragraph of the decision of the Board of Public Utilities Commissioners in Nova Scotia to emphasize and point out exactly what we in this party have been talking about. I'm no longer talking about the constitutional problem. I spoke about the constitutional problem last week; anybody who wants any further information on that can read the remarks made in the Imperial Oil-Public Utilities case in Nova Scotia by the judge who granted leave to appeal.

He granted leave to appeal to Imperial Oil on two grounds which were based on constitutional points. It's quite interesting that Imperial Oil abandoned the appeal on those grounds because they knew they were on very weak ground and they couldn't possibly have sustained the argument in the Court of Appeal. That's not my concern.

My concern now, in the very brief moments that I have, is to focus upon what the Board of Public Utilities Commissioners was saying and what we in this party are saying. The board, in its conclusion, said:

> Although the witnesses [and these were the witnesses of Imperial Oil] mentioned the high cost of crude [and in my remarks you can read, "commodities," because it's not just related solely to the crude oil problem with which that board was faced], it seemed to the board that there was no intention on the part of Imperial Oil Ltd. to consider that the abnormal increase in crude should in any manner affect or modify the objectives of pricing that have been maintained in the past, or that there should be any change made in the marketing attitudes of Imperial Oil Ltd. The justification for price increases, it seems, is still to be based upon a judgement that reflects willingness to pay, or what the market will bear, related to availability of products on a world-wide basis.

That is precisely the point, that the Board of Public Utilities Commisisoners was no longer prepared to accept that rationale from Imperial Oil in its pricing policies, based upon some version of the abnormal price increases to which the Minister of Energy referred this afternoon and behind which he assumed to take protection for this government.

Having said why that board was not prepared to accept Imperial Oil's justification, I want to go on and state what it thought were the considerations that it should take into account.

The board then made certain observations as to the principles by which it should be guided in its difficult task. Reference was made to the concern of many legislatures that there is a public interest to be protected and there are standards to be maintained.

There then follows, and I quote:

> There is nothing particularly new or magical in the total barrel concept of the pricing of products, commodities or services, because this is precisely a regulatory principle of rate-making. The financial requirements of a regulated supplier of commodities and services, which is comprised of total operating costs, including depreciation and taxes and reasonable net earnings sufficient to take care of debt servicing and to maintain an appropriate degree of financial strength, is recovered under rate schedules wherein the customer responsibility is distributed among the various commodities and services supplied under regulation.
>
> Rates and charges must not be unjustly discriminatory, and this in itself contemplates that rates will not be automatically related to cost of service, or any other engineering or accounting principles of formulae, or to whimsical or arbitrary price making, but will always be tempered by judgement. This judgement, however, is expected to be a responsible judgement that is not related primarily to the maximum prices dictated by world supply and demand, or similar conditions, and will reflect actual circumstances, conditions, policies and public interest within the area served by the regulated supplier.

That is precisely what we have been saying, that there is a public interest which requires protection by this Legislature, against the abnormal increases in the price of commodities being sold in this province, which can no longer be justified upon traditional methods of pricing established by multi-national corporations such as Imperial Oil.

Mr. Stokes: Well said.

Mr. Renwick: I want to take the trouble to restate the board's comments, with which I opened my remarks just a few moments ago.

> Although the witnesses mentioned the high cost of crude oil, it seemed to the

board that there was no intention on the part of Imperial Oil Ltd. to consider that the abnormal increase in crude should in any manner affect or modify the objectives of pricing that have been maintained in the past, or that there should be any changes made in the marketing attitudes of Imperial Oil Ltd. The justification for price increases, it seems, is still to be based upon a judgement that reflects willingness to pay or what the market will bear related to availability of products on a world-wide basis.

Mr. Speaker, let me say that that is exactly what the Minister for Consumer and Commercial Relations said a few days ago. I happen to have a more sophisticated version somewhere among my papers of exactly the philosophy of this government in an abnormal situation. which is the philosophy to which we object. We say that there is a public interest to be protected, and that no longer can the Tory philosophy, as expressed a few moments ago by the Minister of Energy and as expressed a few days ago by the Minister of Consumer and Commercial Relations, any longer be the sole and guiding principle which determines whether or not this assembly will intervene in the marketplace, to protect the consumer in the wide range of commodities and services and in the supply of housing, to which the leader of this party has referred on many, many occasions in this House.

The sophisticated statement, which we disagree with, of the philosophy of this government is as follows:

> The market is a mechanism of almost incredible effectiveness, because those who have command over resources continually reallocate them in response to the signals provided by relative prices. The businessman who wants to behave in a socially responsible way and promote the public good can do so most effectively by trying to maximize profits, or more accurately by increasing the present value of the assets at his command.

I simply say to the government that we disagree with that statement. That is the philosophical rationale of an outmoded economic basis, upon which this government continues to say that it will not intervene in the field in which it has the authority and capacity to intervene.

Mr. Speaker: Thirty seconds left.

Mr. Renwick: I know I only have 30 seconds, Mr. Speaker, and I guess I will have to pick it up at some other point. But I want to make just one reference to what the chief protoganist for Imperial Oil had to say in the course of his remarks.

This is what Mr. Bell said before the board for Imperial Oil, and which the board would not accept: "We don't sell our heavy oil in relation to what it costs. We don't determine in our pricing the cost of our product."

Mr. Lawlor: Of course not.

Mr. Renwick: "It's just not an exercise which has meaning. We determine to the best of our judgement—and I can't overstress that—what the market tone and level is for the price of our products."

Mr. Lawlor: What it will pay.

Mr. Renwick: "This is nowhere more clear than in heavy fuel, and we get what we can on selling that product—"

Mr. Lawlor: Every nickel.

Mr. Renwick: —"in relation to the tone of that market at that time." He went on at some considerable length to attempt to justify, and categorically stated for the Board of Public Utilities Commissioners that there was no way that their prices were related to anything other than what the market could bear. I say to this government, thank God for the Board of Public Utilities Commissioners in Nova Scotia that they have focused attention upon the very need to protect the kind of public interests which they in that particular judgement did protect.

Mr. Speaker: The time has expired.

Mr. Renwick: This government must learn from that case—

Mr. Speaker: The time has expired.

Mr. Renwick: —and introduce that kind of legislation.

Mr. Speaker: The hon. Minister of Agriculture and Food.

Mr. Lawlor: Now we will know that the farmer gets a fair return and even better. Let that be understood before the minister starts.

Hon. W. A. Stewart (Minister of Agriculture and Food): Mr. Speaker, in dealing with this matter of inflation I would like to suggest that anything to increase production or to provide production incentives for producers to continue production is designed to control inflation and to provide

consumers with a continuing source of high-quality food products. In this line I think the record of this government stands out as one of the leaders of all Canada in having to do just that.

Mr. Cassidy: This is as outlined, you know.

Hon. Mr. Stewart: We have established a monitoring system through the agricultural economics branch for fruit and vegetable costs of production, and this has resulted in long-term planning of the tender-fruit industry.

We would have been able to have accomplished this much sooner than we have been able to do had the federal government given us any indication whatever that they were going to provide any kind of protection at our international borders. We hope that this will be forthcoming. If it is, then I think that the plans we have under way will assure the people of Ontario of a continuing tender-fruit industry.

We have applied pressure on the federal government to provide price stabilization because we believe implicitly that any price stabilization has to be established at the national level to encourage farmers to continue producing. If we get into this business of price stabilization at the provincial level, we simply become further segregated within our provincial achievements.

A food land development committee has been set up to make use of vacant land across this province to get it back into production. And that really is the secret of trying to control, in my opinion, the inflationary tendencies that we have in many of our food commodities.

When one talks about the future of the agricultural industry in this province, there are those who will suggest that it is a province of farmers who have passed their best in years. I would like to remind the people, through you, Mr. Speaker, of this Legislature that at OAC last year, 20 per cent of the graduates went back to farming, and 50 per cent of all the graduates of our other agricultural colleges went back to farming themselves. More people left the Ontario Ministry of Agriculture and Food last year to go back to farming than at any previous period of like months in its history before. That to me indicates that the people of Ontario have a faith in the farming industry and are willing to stake their future on it.

Let's just take a look at some of the things that have been done. For instance, in the matter of credit counselling, we have been able to provide farm people with information as to how to get credit, how to use it and how to make business management decisions.

For instance, the tile drainage loan—just take that as an illustration. That provides for up to 75 per cent of the cost repaid over a 10-year period. In 1973 we had 13,300 of these loans out with a value of $33.3 million. This is directly helping farmers to produce more. There is no improvement that anyone can make on land, Mr. Speaker, that will return the dollars as fast or increase production as quickly. That is done at a four percent subsidized interest rate by the Province of Ontario.

Then we take a look at municipal drainage grants to provide the outlet ditches for the farm programmes that I have just mentioned. Since 1970, this government has paid out $7 million in grants to farmers in municipalities to provide those outlet ditches.

Mr. Stokes: As a last-ditch stand.

Mr. Cassidy: This is looking at the ditches and ignoring the forest, you know.

Hon. Mr. Stewart: Take a look at fertilizer. My hon. friend from Huron-Bruce mentioned fertilizer prices; certainly there were fertilizer prices that increased. But as a result of improved technology that's been applied at the only phosphate manufacturing plant in Ontario, at Port Maitland—we've been able to get that plant running sooner—we'll produce 24,000 tons of fertilizer more this fall by starting it earlier than we would have previously. I think that that's a move in the right direction.

We're monitoring these programmes very carefully and closely and we have found no adverse affect whatever on the environment. Here again, I think, the Minister of the Environment of this government, whom our friends in the opposition so roundly want to condemn, is providing the leadership that is necessary in these particular fields.

Take a look at some of the industrial milk incentive programmes: We have been told that we're not doing anything to increase production—

Mr. Cassidy: What about the decline in improved lands?

Hon. Mr. Stewart: In the four months of this year, Mr. Speaker, we have been able to provide—

Mr. Cassidy: What about the decline in the number of farms and farmers? What about the decline in acreage?

Mr. Speaker: Order, please.

Hon. Mr. Stewart: We have been able to provide an increase of 39 million lbs in the last four months, compared with 2 years earlier. That to me is indicative of this government trying to produce food for the people of this province and succeeding in a very substantial manner. Those are things that to me are worth noting.

Take a look at our capital grants programme: Up until the end of March, 1973, we had put out just about $76 million; add on last year's $18.5 million and we've got a programme of just under $100 million that we've put out since 1967 to help offset cost of food produced in this province to encourage production. Those things, to my mind, mean an awful lot.

The IMPIP programme that I mentioned a while ago involves a 20 per cent forgivable loan, Mr. Speaker; and we now have out more than 2,000 loans for in excess of $27 million. That's the way I think a province responds to these kinds of things; not shooting off a lot of hot air that doesn't really account for anything.

When one takes a look at what the Treasurer of this province has done in the last two years, by providing a $50,000 once-in-a-lifetime gift tax exemption for farms that stay within the family, that's a move to keep farmers going. That's a move to keep them on the land.

Mr. Cassidy: The price of food goes up 18 per cent and the minister talks about exemptions. More farmers are going out of production every day.

Mr. Speaker: Order, please. The hon. member for Ottawa Centre does not have the floor.

Hon. Mr. Stewart: Well, Mr. Speaker, my hon. friend over there talks about land going out of production.

Mr. Renwick: Six per cent of the population on the land.

Hon. Mr. Stewart: There never has been a time in the history of Ontario when as much food products has been produced—never in the history of this province!

Mr. Renwick: That kind of bark has gone out of style.

Hon. Mr. Stewart: The sad part of it is, Mr. Speaker, that the hon. member for someplace in Ottawa and the Island—

An hon. member: Right.

Hon. Mr. Stewart: —doesn't know the difference between good agricultural land and poor agricultural land.

An hon. member: He knows about fertilizer, though.

Hon. Mr. Stewart: He doesn't know enough to keep quiet. He keeps showing his ignorance.

Mr. Cassidy: What about the fifteen per cent of improved land that has gone out of business in the last three years?

Hon. Mr. Winkler: It went down that big mouth of yours, I think.

Interjection by an hon. member.

Mr. Speaker: Order, please. Order!

Hon. Mr. Stewart: When one takes a look at what's been accomplished by the Treasurer in the amendments to the Succession Duty Act, and the one twenty-fifth a year forgiveness in succession duty, if the farm stays in the family for 25 years, there is no succession duty at all.

All of these things are designed to help the situation, to make it meaningful, to make it productive; and that is what the agricultural industry in this province has been able to achieve.

We get criticized occasionally because of the seriousness of the beef situation, Mr. Speaker. Well, a few months ago in 1973, beef prices were so incredibly high; I have got some comparative prices, Mr. Speaker. When you take a look at them, live cattle prices here in Toronto for 1973, in the week ending Oct. 12, were almost identical with the prices of 1974. When one takes a look at the dressed cattle prices, they are almost identical.

Mr. Renwick: What about 1972?

Hon. Mr. Stewart: When one takes a look at the price of processing of meat, it's down 16.2 per cent from this year in comparison with last year. That to me is an indication that there are some things that are being reduced in price in a way I think somewhat meaningful.

Mr. I. Deans (Wentworth): What about the cost in the supermarkets, then?

Mr. Speaker: Order, please. The time is expiring.

Hon. Mr. Stewart: That's the consumer price taken from the consumer stores right here, a drop of 16.2 per cent in hamburg and processed meat prices. That's a fact. I said it the other day in here and it's here again, right now. There it is. Those are the figures taken right from the stores.

Mr. Renwick: It is the same piece of paper. That doesn't make it correct today.

Hon. Mr. Stewart: Mr. Speaker, I simply suggest that all of the talk emanating from the other side of the House is purely for political purposes. This government is designed to help the people of Ontario and that's what we are doing.

Mr. Speaker: The hon. member for St. George.

Mrs. M. Campbell (St. George): Mr. Speaker, I am rising at this time to speak to this motion and I would like to make this preliminary observation. It has been described by the member for Chatham-Kent as a gimmicky motion. He has related the fact that he feels so much control of this problem does not lie with this province. For that reason, perhaps I could draw his attention and the attention of the government to an area which is without any question solely within the jurisdiction of this province and to a matter which is of deep and universal concern to the people of the province. I am talking now about the matter of housing.

Don't give me any argument that this is something the federal government should be doing or that it is a matter of worldwide inflation. This government has the opportunity to do something in this area and it has again done absolutely, positively nothing to help with the rental situation in this province.

It was interesting to me to hear the Deputy Minister of Housing on a recent open-line show give his effective information to people who were desperately concerned about the escalation of housing prices and of rents. This was his solution, and I have to assume he's speaking for this government. He said: "I'll tell you what you do, madam. If your rent is up more than the inflationary spiral, call me and I will intervene with the landlord and sometimes I can be effective in that area." There is the government's policy. He made the statement that in Metropolitan Toronto a survey was made which indicated that the escalation of rent was only in accordance with the inflationary spiral.

I am going to tell you, Mr. Speaker, that not only did I have news for him but so did the people of the Metropolitan area, the people who responded to that statement on the telephone lines. Let me give a few examples of what is going on. In one complex in downtown Toronto, for the new leases the range in rent increases was from nine to 28 per cent. However, the rents for the garages in the same place, particularly those signed after June, 1974, went up by 66 per cent, and there the government sits and what is its excuse. It has heard from both of the opposition parties proposals to curb this kind of inflation, and all it can do is say, "We'll have to think about it. We'll get a report."

Meanwhile, people aren't able to find housing, and this, for the government's information, is not just the poor, for whom it has demonstrated so little real concern. It may perhaps affect the government members when I tell them it is from one end of my riding to the other. Talk to people in ManuLife, talk to people in the Colonnade, talk to people in the other northern portions of that riding and the answers are still the same.

The only thing that's going to happen is that there will be a filtering down, so that these people who can afford substantial rents will be looking at the very accommodation that is needed by those who do not have sufficient income to enable them to cope in the market today.

It was interesting too, Mr. Speaker, that notwithstanding the fact that an invitation was extended to the Minister of Housing (Mr. Irvine) and to the Minister of Community and Social Services (Mr. Brunelle) to be present at a housing conference dealing with housing for the aged, neither of them found that this was of sufficient importance for them to be present. But if they had been there, they would have heard the pensioners concerned, many of whom are living in the conventional marketplace, but who can no longer afford it. They are asking this government, "Where do we go?"

It was very interesting that one of the speakers said that when Metropolitan Toronto was planning a zoo, the organizers worried about the rhesus monkeys; they worried about where the feeding troughs would be for the rhesus monkeys to assure them that they would be able to eat; they worried about the colours that the animals would enjoy most in their surroundings, and they even concerned themselves with the type of trainers that there would be for all of these animals. But the speaker said there is no such concern for the housing of people in this province.

What is the government's answer? Its answer is, "It isn't our fault."

The government is like a ship without a captain. It isn't going anywhere in this field. But the people around it are crying out for its attention. It even has the senior citizens up in arms and making this resolution:

> We are sending along our resolution to you to this government. In four months time we are going to be holding a second conference and we are demanding answers from you on the implementation of those resolutions.

It is something when seniors get that concerned, because as a rule they do not speak out in such an impolite, if you like, term. They are usually rather gentle in their approach. But no longer, because they are afraid, they are anxious, they don't know where they are going to live, and the government's answers are totally, utterly without conscience without concern.

There is no security of tenure in this province for the tenants – absolutely none. In many parts of this city the tenants cannot get any lease. And there are rent increases—on the same apartments. Some of them get in one case, in June and August of this year, six months. Some of them get a year. Whose Act is the Landlord and Tenant Act? It is federal legislation, or is it this government's legislation?

Mr. Speaker: The member's time is expiring.

Mrs. Campbell: Thank you. I understand in closing, Mr. Speaker, that there is some suggestion that somebody is going to be looking at the Landlord and Tenant Act, but that it's unlikely that any changes will be made during the current session.

I will say to you now, in my view it is no gimmick when the opposition stands up at a time of such crisis and deplores the state of this province at this time. Thank you, Mr. Speaker.

Mr. Speaker: The member for Thunder Bay.

Mr. Stokes: Thank you, Mr. Speaker. I think it's incumbent upon me to enter this debate to speak on behalf of a section of the province that has been forgotten for far too long. I want to pick up on something that the member for Riverdale developed in the few short minutes that were available to him. And I will use the figures that were just presented to the House a short time ago by the hon. Minister of Energy in discussing a commodity whose price is reflected almost everywhere you look in our overall economy in the Province of Ontario. I'm talking about the cost of oil, gas and its byproducts.

The hon. Minister of Energy quoted the offshore price of crude oil at $11.50 a barrel, while the domestic wellhead price is $6.50.

A short time ago I had occasion to be talking to officials from Imperial Oil who are responsible for their policies and their pricing in the Province of Ontario. I asked them—when the dialogue was going on between the federal government and the provinces— how they could justify the present price of gasoline and heating fuel oil in the light of the wellhead prices of $6.50 a barrel. In my somewhat simple approach to the problem, I did some rapid calculations. If you take the $6.50 price for a barrel of oil at the wellhead in Alberta—given that a barrel of oil is 35 gal—that means that the major oil companies were paying, on the average, 18.5 cents per gal.

In a good deal of my riding the customer is paying 75 cents a gallon for gasoline at the pumps. That's No. 2 gasoline. If you translate that into the actual cost to the consumer, that's $26.25 for a barrel of oil that cost the producer $6.50 at the wellhead.

Now, I'm not suggesting that you get 35 gal of gasoline out of 35 gal of crude at the wellhead, but I'm well aware that there are many byproducts that come from the processing and this is all a very lucrative part of the operation of any major oil company.

My question is directed to the Minister of Energy and to those who are responsible for justifying the prices of such important commodities as oil and gas. I want to find out—I can't find out from the oil companies but I want to find out from the responsible ministry over there—what happens to the $19.75 per barrel increase from the wellhead to the consumer? I think this is central to the debate that we are engaging in here this afternoon.

As my colleague, the hon. member for Riverdale, has stated, when confronted with the court case in the Province of Nova Scotia, a spokesman for Imperial Oil was quoted as saying that "the cost to the consumer bears no relationship whatsoever to our costs. It's done strictly on the basis of what the traffic will bear."

I think it is unconscionable in any system of government, in any democratic society, when an official of a multinational corporation can stand up and barefacedly admit

that the cost to the consumer bore no relationship whatsoever to their particular costs, and the gouging that was done was strictly on the basis of what the customer was prepared to pay and what governments in power were prepared to allow.

I want to say to this government that in travelling throughout the north this summer, as I do on every occasion that's made available to me, I came across a situation where, in one community, people were paying $2.50 per gallon for gasoline. That was in the community of Kasabonika up on the Winisk River. I came across another place where gasoline was $2 a gallon. That had to be brought in on a Hudson Bay barge.

I ran into a situation where a constituent of mine was forced to pay $12.50 for a gallon of antifreeze. On the other hand, I know of a large pulp and paper operation where their actual cost was $2.95 a gallon. There's a discrepancy between $2.95 and 12.50 on one gallon of antifreeze.

I ran into a situation where there was a discrepancy of between $11 and $16.50 on a 100 lb tank of propane. I ran into a situation where, in the town of Manitouwadge, they paid $1.70 for 10 lb of new potatoes while they were selling for 89 cents in Thunder Bay, 250 miles away.

Mr. Deans: It's really shameful.

Mr. Stokes: In view of a commitment made by the Minister of Consumer and Commercial Relations, when he undertook to do a study of all these things that we were bringing to his attention, I'm wondering whether it's just an exercise in window dressing or whether that ministry is really serious in coming to grips with the kind of problems and the inflationary trends that the people in the north are so concerned about.

We had an announcement made in the Empire Hotel by the Premier of this province about 14 months ago, where he said his government, through the Ontario Northland Transportation Commission, was going to use those facilities to moderate the high cost of consumer goods in northeastern Ontario. That was announced with a great deal of fanfare. They chose a list of some 300 different products they were going to have it apply to to see if they could come to grips with the high cost of consumer goods in that section of the province where they had some concern and where they had a facility to initiate such a programme. I find no evidence at all that that has worked. As a matter of of fact, in discussions with the Ministry of Transportation and Communications, they say it hasn't worked.

This government has spent in excess of $5 million to undertake a highway in the sky programme, where it embarked upon a programme of building airstrips in the far north. We've got several of this facilities in operation. They're being well used and they're using DC-3 aircraft with much higher payloads than were ever possible in the past. There's no indication at all that the benefits from that programme are finding their way into the pockets of the consumer. It is nothing but a straight benefit to the air carriers. There is no undertaking on behalf of this government to insist that the air carriers pass some of these savings and some of these economics on to the people for whom the programme was designed.

Mr. Speaker: The member's time has expired.

Mr. Stokes: There are many instances where this government has taken some initiative, but the results haven't been demonstrated. I think that the programmes went awry; I think it is high time that you took another look at those programmes to make sure that the programme actually helps the people for which it was designed.

Mr. Speaker, there are many, many other instances where I could show that by way of a direct subsidy, an incentive or a disincentive you could come up with programmes that would assist people in the high cost of living, the high cost of consumer goods in the north. You have failed to do this and I feel it incumbent upon me to support the resolution that has been presented by the Leader of the Opposition.

Mr. Speaker: The hon. Premier.

Mr. Cassidy: The Premier always has to hang on to something, doesn't he?

Hon. Mr. Davis: What?

Mr. Cassidy: They are putting their hopes in him. It may be a slender thread.

Hon. Mr. Winkler: That's more than that member can say about anybody.

Hon. Mr. Davis: I couldn't hear that constructive observation. What was it, again?

Mr. Cassidy: They are putting their hopes in the Premier because they have nothing else left.

Hon. Mr. Davis: Who is putting their hopes?

Mr. Cassidy: All of those guys.

Hon. Mr. Grossman: Of course we are.

Hon. Mr. Davis: Well, Mr. Speaker, they have a lot more to put their hope in than that member has in the leadership of his party and the contribution it has made here this afternoon—I can tell you that much.

Mr. Speaker, when I listened to the sanctimonious utterances of the member from whatever riding it is in Ottawa and Toronto here, I couldn't help but say to myself—and I listened very attentively: "Just how hypocritical can a member of this House be?" But I said to myself: "I guess there are no limitations when it comes to politics as practised by some members of this House."

However, Mr. Speaker, I didn't mean to digress—

Mr. Cassidy: They haven't seen the Premier in Carleton East yet because they don't want him in Carleton East. The fellow running doesn't want him there.

Hon. Mr. Davis: Mr. Speaker, I heard the references to Carleton East. I happened to be at the nominating convention when our very able candidate was nominated—a much better convention than the member's own, incidentally. That candidate stood up, identified himself and explained the very positive policies of this government in a way that very frankly I have heard very few other people do.

Mr. R. F. Ruston (Essex-Kent): The backbenchers will never get into the cabinet now.

Hon. Mr. Davis: For the member here to suggest that the candidate in Carleton East is not supporting the policies of this government is once again totally misleading. In fact he said so many nice things about the Treasurer and the leader of this party that I was embarrassed. In fact I was embarrassed for the Treasurer, he was saying such nice things about his policies and programmes.

Mr. Deans: That is a change. The Premier is normally embarrassed by the Treasurer.

Hon. Mr. Davis: Mr. Speaker, I really didn't mean to digress.

Mr. Cassidy: His TV ads says that he is not a Davis candidate. Now, what does the Premier make of that?

Hon. Mr. Davis: Mr. Speaker, I could spend the balance of the afternoon discussing relevant issues with the member for Ottawa Centre.

Mr. Cassidy: That is very relevant for the people of Carleton East.

Hon. Mr. Davis: Well, the member's observations are the ones I am referring to.

Mr. Cassidy: They are pretty relevant, too.

Hon. Mr. Davis: I shall try to deal with the substance of the resolution, and I shall attempt to do it as constructively and in as non-provocative a fashion as I can.

Mr. Renwick: Okay, the Premier had a good start.

Hon. Mr. Davis: I must say, and I say this constructively, that very little from the other side of the House this afternoon was of such substance as to provide much provocation, but I think that that, when you analyse what has been said, is abundantly true. I regret that the leader of the New Democratic Party on this issue that he says is so important and so vital finds matters of urgent public importance to be elsewhere—

Interjections by hon. members.

Hon. Mr. Davis: Oh, I listened, and I can give the members almost word for word—

Mr. Deans: Who wasn't here all afternoon? He is listening to the Premier.

Hon. Mr. Davis: He is listening?

Mr. Deans: He is listening to the Premier.

Hon. Mr. Davis: Well, as long as the leader of the New Democratic Party is listening, I have a few things I want to say that I want him to hear—

Mr. Deans: Mind you, it may lull him to sleep, but he is listening.

Hon. Mr. Davis: —because I think it is time that some of the truths were known.

Hon. Mr. Grossman: Face to face.

Hon. Mr. Davis: We sit here and we listen to some of this stuff—we listen to the leader of the New Democratic Party being critical of the policies of this government. That's fine; that is what the process is all about. But when you sit down and analyse what the Leader of the Opposition has said in terms of constructive suggestions as to how to improve the situation, Mr. Speaker, there is nothing of any substance whatsoever. I speak of the leader of the New Democratic Party, and I say show us in the year 1974 in the month of October any jurisdiction that has adopted his political philosophy

that is having any better time as it relates to inflation, the cost of living or the economy generally. Show us that.

Interjections by hon. members.

Hon. Mr. Davis: Look what socialism has done to the United Kingdom and its economic position today. Look what's happening in Italy today, look what's happening in Sweden today. Tell us—

Mr. Renwick: Never have more people in Great Britain had a higher standard of living than they have at the present time.

Hon. Mr. Davis: Nonsense, utter nonsense.

Mr. Renwick: Never have there been more people own their own homes in Great Britain than they do now.

Hon. Mr. Davis: Utter nonsense.

Interjections by hon. members.

Mr. Speaker: Order please.

Mr. Renwick: Never has the distribution of wealth been more fair, never has the economy been more thriving, and never have they had a better government than the government they have today.

Interjections by hon. members.

Hon. Mr. Davis: Mr. Speaker, I was interested to hear this afternoon all of those things done by a provincial jurisdiction in this very serious problem of inflation. I heard of the numerous programmes emanating from the socialist jurisdictions of British Columbia, Saskatchewan and Manitoba. Of course, we didn't hear a word because they haven't been doing anything, they haven't done nearly as much as we've done here in this province, not nearly as much. However, Mr. Speaker—I'm being diverted.

Mr. Renwick: We are talking about Ontario. We are not talking about the western provinces. It is the Premier's government.

Mr. Speaker: Order please.

Mr. Stokes: What about Moores in Newfoundland?

Mr. Renwick: It is the accountability of the Premier's government.

Hon. Mr. Davis: I'm diverted, I really wanted to deal initially with the resolution itself—

Mr. Renwick: Why don't we go ahead with it?

Sit down and start all over again.

Hon. Mr. Davis: —which I have to say, Mr. Speaker, and I say this very kindly, has to be one of the weakest resolutions I've seen put on the order paper here in a matter of this kind in a long time—

Mr. R. F. Nixon: That is why the Premier is responding so well.

Mr. Breithaupt: He will get a chance to do his own some day.

Mr. R. F. Nixon: Well like hell, the Premier's point is weak.

Hon. Mr. Davis: —to moderate the inflationary pressures that exist today—and I take the five points. I won't deal with them all. Not one of them, Mr. Speaker—

Mr. R. F. Nixon: Why not? The Premier started off with 20 minutes.

Hon. Mr. Davis: Not one of them is going to solve the problem of inflation. All five of them put together will have no real impact on inflation.

Mr. R. F. Nixon: Certainly they would.

Hon. Mr. Davis: Do you know what they're suggesting, Mr. Speaker? They're suggesting something of a cosmetic process where they can put up a lot of window dressing to make people feel they're doing something when in fact, of course, they are not. How realistic is it to say at one moment, "We want you to balance the budget and cut the deficit at the same time as you've been promising the by-electors in Stormont, in Carleton East and the province of Ontario (a) we will cut out educational ceilings, (b) we will add money programmes to the OHIP services"—

Hon. Mr. Grossman: All for free.

Hon. Mr. Davis: —Many, many things the Liberals have uttered in the last few months, that were substantially increased. The level of government expenditure, without any question whatsoever, Mr. Speaker. The leader of the Liberal Party in this province is saying—

Mr. R. F. Nixon: Education ceilings can be cut out if we put power back with the school boards. Won't cost you a cent. The Premier is the author of educational extravagance. He is the author.

Hon. Mr. Davis: Well, with great respect the percentage increase has been rather consistent and the Liberal Party are the people at this moment who want to see it increased and they know it.

When we deal in a situation, Mr. Speaker—

Mr. Sargent: Why is the government so broke?

Hon. Mr. Davis: —where the Leader of the Opposition is saying that his way to curb inflation is to spend hundreds of millions of dollars more by way of government expenditure, no increase in taxation and, of course, he has suggested the Treasurer balance the budget.

Mr. Breithaupt: No, this is the Stanfield speech. That is Mr. Stanfield.

Hon. Mr. Davis: And I say with respect that is totally irresponsible in this day and age.

Now, Mr. Speaker, this government is as concerned as anyone else about the impact of inflation today.

An hon. member: More than the federal government.

Hon. Mr. Davis: Much more than the federal government obviously, the people that the member supported with such enthusiasm.

Mr. R. F. Nixon: Hasn't the Premier got any points to make at all?

Interjections by hon. members.

Mr. Speaker: Order please.

Hon. Mr. Davis: We have made some progress and for it to be suggested by the leader of the New Democratic Party that we are raising any jurisdictional or constitutional reluctance, is just totally wrong again. Any suggestion that we are reluctant as it relates to the business community is wrong.

Mr. R. F. Nixon: What is the Premier going to say to them down in the—

Mr. Deans: The government has; it has continuously.

Mr. Cassidy: The Premier constantly says it is up to Ottawa.

Hon. Mr. Davis: But I'll tell you this, Mr. Speaker, I have far greater confidence in the business community assisting in this problem than those people ever will and that's the big difference between their philosophy and ours.

Mr. Lawlor: He sure has.

Mr. Renwick: The Premier is quite right and that is where he is wrong.

Hon. Mr. Davis: And the Leader of the Opposition had the unmitigated gall to try and raise regional government as being an inflationary problem. And I have to say that has to be one of the most irrelevant statements on this issue that I've heard in this House—totally irrelevant.

Mr. Ruston: It is true. The Premier knows it is true.

Hon. Mr. Davis: Listen, I would take the member for Rainy River back through a little bit of history.

Mr. Speaker: Order please.

Interjections by hon. members.

Hon. Mr. Davis: Because here we have again leadership from behind. Where is the member's friend from York Centre who is his great, enthusiastic supporter in this leadership contest? I'll take him back to his pamphlets, and I had them here before. The Liberals were the authors of county school boards; they were in favour of regional government. Yes they were, Mr. Speaker.

Interjections by hon. members.

Mr. Speaker: Order.

Hon. Mr. Davis: You know, Mr. Speaker, I—

Interjection by hon. members.

Mr. R. F. Nixon: Point of order, Mr. Speaker. Just to set this matter clear, because he repeats it on public platforms from one end of this province to the other: We are the only party that spoke and voted against those particular matters and this is an honour we share with no other party, no other party at all.

Hon. Mr. Davis: Well, Mr. Speaker, I don't doubt that for a moment, because the Leader of the Opposition in his customary way takes both sides of every issue, in every part of the province, where he thinks it is consistently the best for him—and he knows it.

Interjection by hon. members.

Hon. Mr. Davis: Where does he stand on the land speculation tax? We have had a lot of heat about the land speculation tax and I

don't deny that. But I just tell him this, Mr. Speaker—and those people are hypocritical about this as well—without any question the land speculation tax has cut down the trading in land and as a result has cut down cost of land without any question.

Interjections by hon. members.

Hon. Mr. Davis: And I tell you something else, Mr. Speaker—

Interjections by hon. members.

Mr. Speaker: Order please.

Interjection by an hon. member.

Hon. Mr. Davis: We have got more of it in my riding than the member of Sarnia will ever have in his riding, and I know what has happened to it.

Interjections by hon. members.

Mr. Speaker: Order please! The hon. Premier has the floor.

Interjections by hon. members.

An hon. member: Look who's here.

Hon. Mr. Grossman: Start all over, the member for Scarborough West just got in.

Mr. Lewis: I've dealt with him already.

Mr. Renwick: Start all over, the Minister of Colleges and Universities (Mr. Auld) just got in.

Hon. Mr. Davis: Well, Mr. Speaker, we then move to one or two of the other suggestions, one of them coming from the Leader of the Opposition—where from I'm not sure yet; I won't say what I nearly said.

Interjections by hon. members.

Hon. Mr. Davis: No, no, I won't. It would be provocative.

Mr. R. F. Nixon: The Premier shouldn't be a hypocrite.

Hon. Mr. Davis: Mr. Speaker, I will deal with the suggestion coming from the Leader of the Opposition with respect to a form of review board. He wasn't as specific as the leader of the New Democratic Party. I don't think he was, if I was listening carefully, because the leader of the New Democratic Party at least went the next step where he said this board, or agency, would have the statutory authority to actually roll back prices. The leader of the Liberal Party has said: "We'll have a review," and this is what I am suggesting—

Interjections by hon. members.

Hon. Mr. Davis: Well all right, so the Leader of the Opposition is saying then that we will in the confines of the cabinet room pass an order in council rolling back the price on a particular commodity.

I say, with respect, Mr. Speaker, that doesn't make much more sense than some of his other suggestions. It's just not a practical way of approaching it.

And, you know, the leader of the New Democratic Party can say that we can do this constitutionally. I'm not going to argue the constitution, but I raise some very practical problems with him. First of all, to get into the concept of some mechanism or structure, which by statute has the right to roll back—actually roll back—prices of a commodity, a consumer item or what have you, without taking into account what makes up that price, without taking into account the question—

Interjections by hon. members.

Mr. Renwick: The Premier does take that into account, does he?

Hon. Mr. Davis: Just a minute, let me finish, I didn't interrupt him this afternoon—without taking into account the effect of the rollback of that on other commodities, or sub-parts or sub-components of the final commodity, without taking into account the concept of wages as being a part of that.

An hon. member: Oh!

Interjections by hon. members.

Mr. Renwick: Of course the Premier does.

Hon. Mr. Davis: That's right, and the relationship to that of other wage factors in the total economy, without taking into account—

Mr. Lewis: The Premier believes wages are responsible for inflation. We think prices and profits are responsible.

Hon. Mr. Davis: Now just a minute—

Interjections by hon. members.

Mr. Speaker: Order please.

Hon. Mr. Davis: All right, then let's put it right on the record. The New Democratic Party believes—

Interjections by hon. members.

Mr. Speaker: Order please. The other members will have their opportunity to speak.

Hon. Mr. Davis: All right—prices and profits—and wages have no effect on inflation at all, all right.

Interjection by hon. members.

Mr. Renwick: We are talking about abnormal price increases—abnormal, excessive, obscene and wrong.

Mr. Speaker: Order please.

Hon. Mr. Davis: All right, we will let others assess just how logical that is.

Mr. Lewis: Okay.

Hon. Mr. Davis: And then once again, let's assume that you had such an organization, Mr. Speaker, and you have national companies—and I am not referring now to multinational companies—you have them doing business in our sister provinces You have prices rolled back here and not in Quebec, not necessarily in Manitoba. You relate it perhaps to profits. You have profits flowing into other parts of their operation in other parts of Canada. And I just tell you that it is totally impractical to do. If there is to be such a structure that is going to work, it has to be national in concept.

Mr. Renwick: Not at all—what about Nova Scotia?

Mr. Lewis: The Premier knows it is not impractical—they just did it in Nova Scotia. They have done it.

Hon. Mr. Davis: If there is such a structure—

Mr. Renwick: This is absolute nonsense—this government can be defeated on this issue.

Mr. Speaker: Order please.

Mr. Renwick: Does the Premier mean they are not going to sell bread in this province if you control the price of bread? What absolute nonsense!

Hon. Mr. Davis: I want to get through to another part, and I will try to be moderate in this.

Mr. Speaker: Order please.

An hon. member: What does the Premier think is going to happen to—

Mr. Speaker: Order please. I remind the hon. members the time is running out. The hon. Premier has the floor.

Mr. Renwick: Thank God it is running out.

Hon. Mr. Davis: I would say to the member for Riverdale that sometimes the truth does hurt a little bit. I recognize that, I recognize that.

Mr. Renwick: The truth doesn't hurt. Is the Premier saying there is no more—

Hon. Mr. Davis: Don't get exercised.

Mr. Renwick: Doesn't the Premier read in the papers what is going to other provinces? Why doesn't he get up to date?

Hon. Mr. Davis: Mr. Speaker, I try to keep up to date. I know I haven't the capacity of the member from Riverdale, but I tell him I do my best, I really do my best.

I want to raise another aspect of inflation that gives me very great concern. Mr. Speaker, it is not just the cost increases or the prices to the consumer. I would say to the Leader of the New Democratic Party there is the question of rollback and its effects on the consumers who happen to be the producers of those commodities; the effect that it might have on employment in their jobs and in their power as consumers. And I tell members this, it is a very valid argument that has to be explored.

Mr. Renwick: The Premier is not going to do that—he can't get away with that.

Mr. Lewis: This is very great sophistry, but not an economic argument—sophistry.

Hon. Mr. Davis: No, no; but it happens to be true.

Mr. Lewis: It is a very good argument.

Hon. Mr. Davis: Mr. Speaker, the concern that I want to express to this House now, as objectively as I can, is that while inflation is without any question a very significant problem for this province and for this country, I am concerned that our reaction to inflation doesn't lead us into positions whereby the economic growth of this province or of this country is prejudiced in the process, because this is exactly what has happened in nearly every other jurisdiction in the world.

Mr. Lewis: Right.

Mr. Renwick: But inflation is jeopardizing that very growth.

Hon. Mr. Davis: There is not an economy anywhere in Canada, there is not an economy in North America, or Western Europe that is as healthy and vital as we are experiencing at this moment in our own Province of Ontario.

Interjections by hon. members.

Hon. Mr. Davis: And you know, that doesn't mean we haven't got problems. I know them. I don't pretend to have all the answers to them; but I tell you one answer cannot be something whereby investment and the continued expansion of our economy is prejudiced, because that will only lead us the route of several other jurisdictions—and that is just total economic chaos. So that whatever governments do, we have to retain the confidence of the business community.

Mr. Lewis: That's right, that's right.

Hon. Mr. Davis: And that is what this government has been attempting to do.

Mr. Cassidy: The Premier doesn't have to be so demanding about it.

Hon. Mr. Davis: Sure, it would be simple to make a lot of speeches and be critical of the business community or the private sector—

Mr. Lewis: Let them have a fair rate of investment. That's just fine; but not excess.

Hon. Mr. Davis: But I just forewarn the members opposite, if they keep it up and others follow suit, they will be responsible for leading the economy of this province into some substantial difficulties. I tell them that right now.

Mr. Renwick: That's a lot of nonsense.

Hon: Mr. Davis: You know, Mr. Speaker—

Interjections by hon. members.

Mr. Speaker: Order please.

Mr. Lawlor: The Premier lives by fear and threat—nonsense.

Hon. Mr. Davis: No, no. I'm just saying members opposite have got to share some of the responsibility. It's great to sit on the other side of the House—

Mr. Cassidy: Fern Guindon tried that in Stormont and we know what happened there.

Mr. Speaker: Order please.

Hon. Mr. Davis: I never intend to find out about it.

Mr. R. F. Nixon: The Premier is talking through his hat.

Hon. Mr. Davis: I never intend to find out about it. But I must say it would be interesting to experience.

Mr. Sargent: On a point of order.

Mr. Speaker: Does the member have a point of order?

Mr. Sargent: Will the Premier tell us—

Mr. Speaker: That is not a point of order.

Mr. Sargent: The point of order is this—

Mr. Speaker: That is not a point of order. Will the member take his seat.

Mr. Sargent: What other province in Canada has put on a five cents a gallon exploration tax?—

Mr. Speaker: That is not a point of order. The hon. Premier has the floor.

An hon. member: Write him a letter.

Hon. Mr. Davis: Mr. Speaker, I wish the member for Grey-Bruce would once in a while communicate with the Leader of the Opposition and just get straight what the Liberal policies are. I am not going to deal with a five cent tax on exploration at this moment. That is not, with great respect—

Mr. Sargent: This government put it on.

Mr. Lewis: A very shabby argument, the argument the Premier just made. If it was any other province but Ontario—

Mr. Speaker: Order, please.

Interjection by an hon. member.

Mr. Sargent: It is $100 million a year and this government put it on.

Mr. Lewis: That's a very shabby argument that the Premier just made.

Mr. Speaker: Order, please. Let him have the floor for the last few minutes.

Mr. Lewis: They are the government and they should be doing something about it. They are inviting the problems.

Mr. Speaker: Order please. Time has just about expired.

Mr. Lewis: When profits are obscene, a government will have problems.

Mr. Speaker: Order, please.

Hon. Mr. Davis: Certainly, Mr. Speaker, the leader of the New Democratic Party talks about the day when profits are up. Just a few months ago he was asking me about certain automotive companies—

Mr. Lewis: Right.

Hon. Mr. Davis: —suggesting that there should be a rollback; the prices were too high. Take a look at the same companies in the United States today, within five months. What has happened to those same corporations as it relates to their present economic position and several thousands of employees who are not earning incomes at all because of it?

Mr. Lewis: Because nobody dealt with the price increases. That is the nature of it.

Hon. Mr. Davis: I can tell you here, Mr. Speaker, the basic policy of this government is to help those people who are most directly affected by inflation, which we are doing.

Interjections by hon. members.

Hon. Mr. Davis: And in those areas, Mr. Speaker, where we can have some impact—as we have had in land, as we are having in government expenditures, those things—we have assumed that responsibility and we are doing something. But the basic way we must continue, Mr. Speaker, is to retain the confidence of the people of this province, the confidence of the business community and the people who make it work.

Mr. Lewis: They are losing it. They are losing it every day.

Mr. Speaker: Will the hon. Premier conclude his remarks please.

Hon. Mr. Davis: I would say, with great respect, regarding five proposals presented by the Leader of the Opposition, they just are not practical. They will not solve the problem, and I would hope, being a man of integrity and wisdom, he will now be totally convinced, after the arguments since 3 o'clock, that his resolution is hypocritical, it is contradictory and it is not an answer to the problems that we presently face, and will join the members on this side of the House in voting against that resolution.

Mr. Speaker: Order please. This completes the debate.

Mr. Lewis: The Premier was certainly animated, more animated than I have seen him in a long time. What did he say? It was very passionate.

Hon. Mr. Davis: More than the member said all afternoon.

Mr. Speaker: Order please. This completes the debate on this item. I will now put the question.

The House divided on Mr. R. F. Nixon's motion, which was negatived on the following vote:

Ayes	Nays
Bounsall	Allan
Breithaupt	Auld
Bullbrook	Belanger
Burr	Bernier
Campbell	Birch
Cassidy	Brunelle
Davison	Carruthers
Deacon	Davis
Deans	Drea
Dukszta	Dymond
Edighoffer	Eaton
Ferrier	Evans
Gisborn	Ewen
Haggerty	Gilbertson
Lawlor	Grossman
Lewis	Hamilton
Martel	Handleman
Newman (Windsor-Walkerville)	Havrot
Nixon (Brant)	Henderson
Paterson	Hodgson (Victoria-Haliburton)
Reid	Hodgson (York North)
Renwick	Irvine
Riddell	Jessiman
Ruston	Kennedy
Sargent	Kerr
Smith (Nipissing)	Lane
Stokes	Leluk
Worton—28.	MacBeth
	Maeck
	McIlveen
	McKeough
	McNeil
	Meen
	Miller
	Morningstar
	Morrow
	Newman (Ontario South)
	Nixon (Dovercourt)
	Nuttall
	Potter
	Reilly
	Rhodes
	Rollins

Nays

Root
Scrivener
Smith (Simcoe East)
Smith (Hamilton Mountain)
Snow
Stewart
Taylor
Timbrell
Turner
Villeneuve
Walker
Wardle
White
Winkler
Yaremko—58.

Clerk of the House: Mr. Speaker, the "ayes" are 28, the "nays" 58.

Mr. Speaker: I declare the motion lost.

Orders of the day.

Clerk of the House: The 18th order, House in committee of supply.

It being 6 o'clock, p.m., the House took recess.

ERRATUM

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No. 104



Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Ninth Legislature

Monday, October 28, 1974

Evening Session

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

THE QUEEN'S PRINTER
PARLIAMENT BUILDINGS, TORONTO
1974

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Price per session, $10.00. Address, Clerk of the House, Parliament Bldgs., Toronto

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, OCTOBER 28, 1974

The House resumed at 8 o'clock, p.m.

ESTIMATES, PROVINCIAL SECRETARY FOR SOCIAL DEVELOPMENT

Mr. Chairman: Does the hon. minister have an opening statement?

Mr. J. E. Stokes (Thunder Bay): You want to believe it!

Mr. E. W. Martel (Sudbury East): She better have.

Interjections by hon. members.

Hon. M. Birch (Provincial Secretary for Social Development): Mr. Chairman, I would like to introduce the estimates of the Secretariat for Social Development with just a short review of some of the activities of the past year.

Mr. Martel: We'd be better off if you hadn't had any.

Hon. Mrs. Birch: I would like to start by noting the welcome addition to the Social Development field of the Secretariat for Manpower, which is headed by my colleague, the Minister without Portfolio (Mr. McNie).

The Manpower Secretariat is an outgrowth of the work within my secretariat, which indicated the need for closer liaison among ministries regarding manpower policy. Some time ago, it became evident that there are special problems in co-ordinating requirements for skills with the effort of our education ministries and with the responsiveness of the labour market to changing circumstances.

An example of the requirements for improved co-ordination in the manpower field is career guidance in the schools. Another example of concern by the Manpower Secretariat is the Nanticoke development and its requirements for skilled labour.

Because of the importance of these and a host of related manpower issues, each of which involves a number of ministries, Mr. McNie was given the responsibility for the co-ordination of manpower policy and has joined both Resources and Social Development policy fields.

Mr. J. A. Renwick (Riverdale): Where is he?

Hon. Mrs. Birch: I am aware that you have asked my colleague, the Provincial Secretary for Resources Development (Mr. Grossman) just what a policy field does. The co-ordinating role is primary and it is perhaps best illustrated with the system used for dealing with priorities for expenditures—

Mr. Renwick: We didn't ask him, he told us.

Hon. Mrs. Birch: —a system which is called multiple-year planning. The traditional philosophy of expenditure is that government operates on a cash basis for one year at a time. But if planning is just for one year at a time we involve ourselves, really, in misleading planning. And so, the social policy field ministers and senior staff spend many hours at meetings where we sort out our priorities—

Mr. Stokes: I trust they'll be dropping in later tonight.

Hon. Mrs. Birch: —not only in terms of this year, but for the next few years.

Let me give you an example. If a hospital is to be built there's hardly any money spent in the first year, except perhaps for structural plans. Two or three years later the project is under way and there are heavy construction costs. But the main recurrence and actual consequences of the decision to build are only felt four or five years after commencement of the project. MYP gives us the opportunity to see what happens down the road a bit.

While he served as Provincial Secretary for Social Development, my colleague, the Provincial Secretary for Justice and Attorney General (Mr. Welch) announced the formation of the Ontario Council on the Status of Women and the Advisory Council on Multiculturalism.

It was my great pleasure last April to announce the formation of the Ontario Ad-

visory Council on Senior Citizens, with a chairman and 18 members.

Mr. Stokes: We haven't seen them since.

Hon. Mrs. Birch: I have. That committee has proceeded with great enthusiasm, and recommendations have started to flow across my desk which are being forwarded to the appropriate ministries for their consideration.

The Council on Multi-culturalism and the Status of Women council will soon be forwarding their first annual reports and I am looking forward to them, knowing that they have both worked very hard to improve the lot of those they represent.

It is with great satisfaction that I have watched the progress made on behalf of the women in this province which has emanated from the green paper on equal opportunities for women which was fostered by the Secretariat for Social Development. The paper brought the entire matter into sharp focus and led to not just the advisory council but to the appointment of Ethel McLellan as the executive co-ordinator of women's programmes and a new emphasis on equal opportunity for women within the Ontario government.

The work of the policy field is not always so evident; a co-ordinating role seldom is. We deal with matters that transcend the responsibility of individual operating ministries by providing the forum for discussion and decisions.

Mr. Stokes: A kind of a low profile.

Hon. Mrs. Birch: Mr. Chairman, that is all I have to say by way of introduction, but I will be happy to answer questions from the members. Thank you.

Mr. Stokes: Margaret, you disappoint me —six minutes.

Mr. Chairman: The hon. member for St. George.

Mrs. M. Campbell (St. George): Mr. Chairman, I am saddened in standing here today to have to be one who is critical of this ministry. I must confess that I had hoped, because it is a ministry led by the only female cabinet minister, that I would be able to point with pride.

However, I would like to break down my remarks into three areas to indicate what to me has been a very sad situation.

Mr. Stokes: I'm glad the member for St. George showed up. There would have been nobody else from the social development field. I am awfully glad she showed up.

Mr. Chairman: Order, please.

Mrs. Campbell: The minister has referred to the matter of the status of women. I recall with interest one of her first statements with reference to this matter, and I believe it was that she favoured removing from women the protection they presently had in jobs which caused them to have to work nights. It seemed to me that perhaps that was somewhere the wrong end of the stick at which to start if you have a concern for women.

I was present at the conference on the status of women over the weekend, and I would like to say that apart from the somewhat party partisan chairmanship of the seminars I think the seminars themselves were very useful. However, when it came to the plenary session most of the women—certainly the ones with whom I spoke, and there were a number of them—felt that once again they had been herded into a position from which, by the very rules of the conference—and I don't know who made those rules—there were inescapable conclusions.

I don't know, for instance, who developed the questionnaire for that particular convention, but unfortunately it was couched in such a way that it itself led to assumptions which became almost inescapable in the development of the resolutions which caused so much concern; at least on Sunday morning, which is the period that I was able to attend on resolutions.

For example, if I may—and this is important, it seems to me, if my guidance came from this ministry—it's interesting that the first question on the questionnaire was: Should the matrimonial home receive special consideration? Then everything flowed from an assumption that would be answered in the affirmative. In one seminar or workshop, at least, they did not feel that it should have special consideration except perhaps where there were dependent children. So they felt they were bringing in, or trying to struggle to bring in, the family concept in this barren property rights discussion.

However, that didn't come forward, as I understand, and so all the resolutions in the morning were geared to what should happen to the matrimonial home.

This is the kind of manipulation of a meeting which made it very difficult for so many who were there. I would like to know who prepared the questionnaire and how it

was made functional through this changing in the resolution period.

On the general question of the status of women for which this secretariat has such responsibility, I would like to ask her if she is aware of the fact that from 1967 to 1972 the percentage of families headed by men living below the poverty line—this is from Statistics Canada—decreased from 17.2 per cent to 10.7 per cent. In the same period the percentage of families headed by women living below the poverty line increased from 35.6 per cent to 45.5 per cent. I should like very much to hear what Manpower or what her ministry or what somebody is doing with those sorts of statistics staring us, as it were, in the face.

Mr. F. Drea (Scarborough Centre): The member was awarding alimony during most of that time.

Mrs. Campbell: I did not have occasion to award alimony at any time.

Mr. Drea: You were awarding the payments.

Mrs. Campbell: That may be true.

Mr. Drea: That's right.

Mrs. Campbell: Quite true, and if you had ever been in that court—

Mr. Drea: I was in that court.

Mrs. Campbell: —you might understand something of the problems related thereto.

Mr. Drea: I always wondered about the alimony you awarded.

Mr. Chairman: Order please. The hon. member for St. George has the floor.

Mrs. Campbell: But at no time did I have any occasion to award alimony, so let's get that straight.

Mr. Drea: You were awarding family payments, Margaret.

Mr. Chairman: Order please. The hon. member for St. George has the floor.

Mrs. Campbell: I would very much like to get into that discussion, but since we're limited to two-and-a-half hours and others may want to speak, perhaps I could continue to enlighten the member for Scarborough Centre as to that role at a later time.

Mr. Martel: I doubt it.

Mr. Drea: You were awarding payments.

Mrs. Campbell: In any event, these are some of the statistics that seem to me to be very important.

Again, it seems to me there hasn't been very much effect on the status of women, even within the ministry. For example, what has been done about pensions in Colleges and Universities? That's a part of the status of women and within the ministry for which this minister has some area of responsibility. That is one area of her concern.

Secondly, we have heard about the senior citizens. I don't know whether the minister has had the opportunity to read this report called "Beyond Shelter," but it was this report which was the basis for the conference on homes for the elderly which took place on Thursday and Friday of last week. There is no doubt, if one reads this report carefully, that Ontario's place is not among the highest by any means in the services to the elderly. It was interesting that the Deputy Minister of Housing did manage to get to the conference for lunch and he did say that you were beginning to look at a co-ordination of Community and Social services, Housing and Health.

But there was nothing to indicate how far you had gone, how preliminary in fact this was. I am most anxious indeed to know how far you have gone in implementing such an interrelation so that we may all be more aware of just how our concerns are for the senior citizen in housing.

It is of particular interest to me, because having regard to housing in the metropolitan area, we find most of our senior citizen housing is developed by Metropolitan Toronto.

We still seem to preserve that fiction, that myth, that OHC doesn't house senior citizens. And of course they do. But the only services in my area for these people are funded by those dreadful, contemptible New Horizon grants and LIP grants that this minister wants to see abolished. So at the one moment when she wants to conserve money out of the provincial treasury she wants to cut off services to these people, which they can get and are getting under those despicable grants of which she has had so much to say.

I may say that at that meeting the Identified Homemaker Services—one of the most important services for the elderly—the homemakers in the metropolitan area of Toronto receive $2.85 an hour and out of that must pay their own transportation. I suppose it isn't, therefore, unreasonable to expect that the result is, as they reported at the meeting,

it is difficult to get women to go into that kind of service. They can earn that kind of money in a service which doesn't cause them quite as much wear and tear as it does in the kinds of service they are asked to contribute to homemaking to the senior citizen.

One of the other things that was identified as important was the Meals on Wheels programme. I thought that it was important that we look at the fact that in St. George in the summertime they get, if they are lucky, one meal a week because of the way in which the service functions.

So much then for this matter of this ministry and the way it functions to co-ordinate services to the elderly. The minister has spoken about this item. I just have to make my observations based on the actual report of the concerned citizens who are seniors.

Now I must get to that matter which is of tremendous controversy and concern. That is the minister's approach to the matter of the provision of day care.

The minister did indicate in her June statement that this was a service for children of low-income families. I would like the minister to tell us how many children are supported by family benefit and general welfare assistance programmes, since apparently there isn't any other ministry that can give us those figures.

I would also like to know if she can tell me—since I can't get it from one of the subject ministries—under the income maintenance programme for 1974-1975 how much would go to families with dependent children and how much to singles or families without dependent children? In this way, perhaps we can check how many children are going to be children of low-income families accommodated under the expanded day care programme.

I do want to say that I do have a sympathy with this minister in her desire to expand day care. I want to make that abundantly clear. It is a very needed service and it is one which ought to be expanded.

Again, I would like to try to appeal to her to understand at least some of my concerns. She is now engaged in this sort of forecasting on a general level of services. She has given us the hospital as an example; but let us look and see if there is any way in which she, in conjunction with some of the other provincial secretariats, could view the costs in interrelation.

If we cut back on the ratios or increase them—whichever way you want to view it—so that there are fewer people looking after more children, I wonder if we can find out, for example, just what the effects are. We have all heard something of what the effects are; I would like to know what study the minister has given to it.

I would also like to know what qualifications she specifically has in mind for the teachers in charge of the children. Apparently the person who is looking after them in one of the profit schools is paid at the minimum wage. This would presumably indicate no great priority for those who are charged with this responsibility.

One of the things which also gives me concern was raised in communicating with members of the operating ministry—if I may call it that. And I have been seeking a letter, and if I can find it before I'm through, I shall be happy to give a copy to the minister. One of the staff of the ministry pointed out that in a school lodging, say, 100 children, it is very difficult to supervise the operation. So of course the thing to do is set up a school with the largest number of children, and then we won't have to worry about regulations at all.

Surely if we want to protect children, what we have presently, unless the other regulations have somehow gone into effect, and I would like to know the status of the new regulations, is not really quality day care. It is simply an acceptable minimum standard. And I, for one, can't support a reduction of that standard, and for these reasons.

There is a growing feeling among the poor that the whole structure of our society and the establishment which is represented by the Davis government in Ontario are to ensure that those children shall not have opportunities. That is what they believe. If you look at their need for some programme which can give them an opportunity to learn, then surely that is one way to bring them out of the poverty cycle.

We have to remember that for the most part these are children of single-parent families. These are children who have many emotional hurdles. When I hear the minister speak of her own family and having brought up her own family, and I'm sure she did a very good job of it—there's no question; I too, have brought up a family and like to think that I have succeeded as well. But I would also hope that her children were not faced with the type of emotional problems these children have to face.

We need the best possible teachers. Every report that you get these days indicates that the most important period of a child's life is up to the age of five years. Yet we feel somehow or other, with these new regula-

tions, that you can throw these reports out the window, that a grandmother can look after these children. Grandmothers, and I am one of them, are not really trained to spot the problems of children at this age with the kinds of disadvantages they have to start with.

Reference was made to my work in the courts. I wish the minister could have been in the courts to see the children who were there and to recognize the cost factor in dollars as well as the sociological costs of children who have not been given a chance. I wish she could study the cost in the education budget of children whose problems have not been spotted early enough. It is suggested by every report which I have been able to read that some of these conditions may be reversible if they are caught in time, but that by school age, basically, many of them appear to be irreversible. If they are irreversible or if they require costly educational dollars, what are we saving by making the standards of the teacher so low at this level?

These children are in the courts because in many cases they have severe problems. Very often it means they are forced to be placed in expensive institutional care, be it correctional or some other form of care.

Is the minister able to tell us what the comparisons are in costs? If she can't, will she investigate that aspect of this supposedly cost-saving device?

Right across this province, as she well knows, people are up in arms. I have before me the report of Metropolitan Toronto, and I have also read where the minister concludes that these are vested interest people who are stirring up strife over the new regulations. You know, I think she's right, because a parent is a vested-interest person in concern for his or her own children. Grandparents have a vested interest, I suppose, in their concern for their grandchildren in these places of care. And so, I suppose, have the profit-making daycare people a vested interest in the new regulations, which believe me they're flouting now and will continue to flout anyway. Is this the kind of care we're concerned about?

I really don't believe the minister believes this. I don't see how she could.

There isn't much more to be said about that controversy. We have all taken our positions. We've all made them clear. But the reaction of the poor, believe me, is that this minister has said: "There is no way we can give the poor quality day care." And if the minister were present on Sunday, she would say that there's no way the poor can be heard on the status of women conference because we have no property rights; but they do have children.

I really don't know how to get through to the minister, but I will say that on the basis of the three areas on which I've touched, I can see no useful purpose being served by this secretariat—no useful purpose at all. To me, if we want to cut the costs of government—and I say it again, not sarcastically, but I mean it with the greatest reluctance—this ministry and its cost could go to a straight delivery of service to poor people and we could cut out the administrative costs and use that money at least for a more useful purpose than is being served by it today. Thank you, Mr. Chairman.

Mr. Chairman: The hon. member for Sudbury East.

Mr. Martel: Mr. Chairman, I have to agree with the hon. member for St. George.

I want to congratulate the minister. She's been in office now about a year, a year and a half, and I want to congratulate her. She's dissembled about the LIP grants. She was the hatchet person for the Tory Party on LIP funding. For someone who is supposed to be interested in delivering services to people, she made sure that a whole series of volunteer programmes went down the drain. They won't be replaced.

She is now engaged in yet another area of desperate need. She is engaged in a position which she refuses to defend because she refuses to present the documentation on which the decisions were made.

I want to congratulate her because she is doing a good job. I hope she keeps it up. I really do. She has managed to alienate more people in a year and a half than most Tory cabinet ministers have done in their whole career over on that side.

So I just hope she continues along her merry way. Because the programme I want to talk about—I only want to talk about one—is day care.

We talk about women gaining their individuality, coming to their full potential. The one area that will allow it is day care. That is because these people can get out of the homes and into the work force.

Many of them need to, although many of them don't want to. But the Premier (Mr. Davis) doesn't do much about inflation, so more and more young people are forced, both husband and wife, to work just to keep the bread and butter on the table.

This minister comes along and instead of reinforcing and increasing the sense of assuredness that the children are being looked after, in that glowing statement on June 4 she destroyed it all.

The Tory government has never been strong in the field of Community and Social Services. If one were to look at this field in particular, one realizes that the weakest minister always gets it, that most cabinet ministers don't want it, that it is the ministry that is groping the most for funding, because most Tory back-benchers don't believe in the field of social services for people. That's a reality. I'll quote from a document which supports that position:

> The federal and provincial spending in all social services in Ontario from 1946 to 1971 increased only from 0.3 per cent to 0.9 per cent of the gross provincial budget.

The source is "The Service State Emerges in Ontario, The Ontario Economic Council of January 1974."

This ministry and the delivery ministry of social services have always been behind. It's never had priority. It never will have priority because the Tories don't place much priority in the field where most could be done for the deprived.

I want to go on:

> This compares with increases in treatment . . . and post-secondary education spending ranges from five times to 17 times the 1946 level. Lumping social service expenditure with health and education spending distorts the province's lack of financial commitment to the social service field.

Distorts it!

> The province's 1974-1975 budget for Community and Social Services through which day care is funded is approximately $650 million out of the total budget of nearly $8 billion. The province is currently spending only seven to eight cents out of the provincial tax dollar for social services to Indians, supportive municipal recreation programmes, services to the mentally retarded, day care and so on.

The groups that need it most.

And just to support that, it is estimated or guesstimated that we need at least 300,000 placements in Canada, probably 150,000 in Ontario. That's the very minimum, maybe 300,000. In Ontario, until a year ago, I think we have had 37,000 placements, of which 12,000 were funded for financial assistance—12,000 received some type of financial assistance to ensure day care.

And now we have another $15 million. Well, $10 million is for capital, $5 million for care for children. In fact we are talking, what, another 3,500 placements maybe? We might reach 16,000 if we are lucky; and we will reach it, of course, by several gimmicks which I will come to in a few moments.

The people were supposed to be impressed by that $15 million, and they were supposed to forget the rest of the minister's statement. But when one looks at what the Ministry of Community and Social Services and this ministry announce over and over again, one starts to look at the announcements very carefully—and the public are becoming concerned.

I think of drugs in that plan under GAINS, with 1,200 drugs being available. I don't know if the rest of the members are like me, but I have had simply hundreds of calls because people are not getting the drugs they need. But it sounded great you know—we rule by headlines. If one looks at the raises in FBA and GWA, that very carefully worded statement by the minister about a month ago said 15 per cent—but it wasn't 15 per cent. It was 15 per cent if you could have a job and were allowed to retain it and if you were on general welfare. But many of the communities don't allow general welfare recipients to keep the money. If you put it all together it could be 15 per cent, but if it was nine per cent across the board we would have been lucky. It looked good until someone started to tear it apart very carefully.

There was the announcement a year ago of a five per cent increase in September; but it wasn't five per cent across the board; it was only five per cent of what the province was paying—and if they had a Workmen's Compensation pension they didn't get five per cent.

Everything you touch on that side of the House that has to do with the field of Community and Social Services is perverse, absolutely perverse. I can think of no other word to describe it. It's never factual. It's never on the line. It's never enough. More important, it's never directed at prevention, but just to hold the line.

I will illustrate some types of prevention in a few moments, but our efforts are never directed at prevention, they never deal with the total family needs. We dissect a family in Ontario; as we used to do it in biology class, that's what we do in Ontario. If there is a problem with a child in the courts, the Attor-

ney General's department or Correctional Services looks after that. If there's also a labour problem involved in the same family, that's Labour. If your ministry were going to do something useful, and nothing else, it would start a delivery system that dealt with the total family and its needs.

I think of day care, and I say everything that comes out of that ministry is perverse. Do you recall the 1971 election? Ten million dollars for day care, and we are just getting started. More funding for homes for the aged, and we are just getting started in that. It was downhill after 1971.

Finally, with enough pressure, we have $15 million more. Well hurrah. We are going to create 3,500 more placements. There must be an election in the offing.

As I said, I want to congratulate the minister. The examples I have cited show how this ministry and its delivery partner, Community and Social Services, really respond to the needs of people.

This government has done a good job. You alienated teachers last Christmas. Civil servants are down your back now. TTC workers got their fill this summer. And those involved in day care are now joining the list.

The timing of the minister's statement was just great. The minister made a statement. But the Minister of Community and Social Services (Mr. Brunelle) wouldn't answer a question in committee, not one. He sat there immobile for days as we talked about this particular expenditure. As we tried to elicit the answers from him, he sat there in horror and refused to answer anything.

Yet the policy minister is making all kinds of new utterings. It's obvious Brunelle didn't know what was going on. I think the minister was hoping that over the summer months, of course, the flak would die. Things last a month or so and then they go away; the heat's off. But it didn't work that way. It hasn't worked that way at all. In fact the opposition to the minister's position is mounting. It is not subsiding at all. And no one is getting a satisfactory answer from the minister at all.

Various groups, and I'm going to list them in a few moments, are opposed to the ministry's policy. In fact, it's such a long list one could almost go on all night. The real question I'm going to come to is: Who supports the minister in her position? And they centre around two issues: Ratios—the minister wants to increase the ratios and thus improve day care, I guess; and the relaxation of formal training for teachers and supervisors.

What does the minister want to do with ratios? The present ratio requirements for under-18 months are one staff to 3½ children, roughly. The minister's first announcement was one to six. I think she's now backed off and suggesting one to four, but no one believes her.

The Canadian Council on Social Development says there shouldn't be more than one to four. The minister will save 20 per cent per child if her one to six holds. For 18 months to two years, one to 4⅔; and as they call it here the Birch proposal, one to nine.

I wonder if the minister knows anything about children. I really do. And I wonder about the people who served on that committee, that in fact she refuses to identify. I wonder what they know about children. I've had some experience as a principal of an elementary school. I think I know a little about children. I want to know who it was who suggested that having nine two-year-olds under one supervisor could possibly do the job. You don't even get to be a good babysitter with that number, let alone meet the real aims of a day nursery.

Doesn't the minister understand that? In kindergarten we don't allow that many. The interesting thing about our whole education system is it's topsy turvy. As an elementary school principal I always objected that we had the highest student-teacher ratios. When you got up to the high school it was lower and when you got to university it got lower yet.

At elementary level they don't know anything. One suspects that by the time they reach university they know something and the ratios could be higher. It should be reversed so that children get off on the right foot in the beginning. But the Ontario government has never recognized that. Ratios are the highest at the elementary level.

Now we see it where we want to get children started properly, at two to four, the learning years, the formative years, and we increase it one to nine. And from two to four, one to 14, up from one to eight for full day care. The suggestion by the Canadian Council on Social Development is one to nine. So the minister can save some money here by increasing the ratios on the average 30 per cent per child at that level. Five years old: For half day it's one to 22 and full day one to 11⅔. The minister proposes one to 22 all day. That's a good ratio.

That's one of the problems, ratios. As the minister knows, she has refused steadfastly, for I guess four months at least, to present

to this House the committee report on which she made, or intends to make, the alterations in the regulations. She won't show that and I am sure it is because she is embarrassed by it.

The other one is relaxation of formal training. Let me just list some of the groups that I or members of this party have had representation from who oppose both these proposals by the ministry, and then we will ask the question: "Who is left?"

Community Day Care Coalition of Metro Toronto; Action Committee on Day Care; Ontario Welfare Council—I understand in a discussion with the Hon. René Brunelle that the ministry paid great attention to what the Ontario Welfare Council had to say; well I hope they are in this instance—Association for Early Childhood Education, Ontario branch—another local group which I think knows something about children too.

Peel Day Care Action Committee; Cradleship Crèche, Toronto; Family Day Care Services, Toronto; Victoria Day Care Services, Toronto; Early Childhood Education Committee of the Ontario Teachers Federation—now there is a group I think that knows something about children, the Teachers Federation I think they know just a little—YMCA; Willowdale; Canadian Mothercraft Society; Ontario Association for the Mentally Retarded; Ontario Society for Crippled Children—I have an inkling or a bit of a suspicion that they, too, know something about kids—Village Day Care Centre, Ottawa; Chatham Maycourt Day Care Centre; Kingston Day Care Centre; St. Mary du Luce Day Care; Metro Social Planning Council; Mental Health—Ontario; Director, Metro Toronto Children's Aid Society — you would think they know something about it, they might have a smattering of knowledge about children—directors for social services for Peel, Toronto, and other centres; representatives for various agencies in the alliance of provincial voluntary agencies involved in services towards children; Ontario Public School Men Teachers Federation.

Who in God's name supports you—who knows something about children? I don't know anyone. I haven't seen a person come to the minister's defence, except the odd Tory back-bencher. I listened to them during the estimates of Community and Social Services, and the knowledge of most of them that spoke of what daycare centres were about was nil. If you don't believe me, go back and check the Hansards.

Let's look at what some of the people had to say. The Ontario Public School Men Teachers Federation—I am just going to take brief extracts from some of the material that they submitted.

> Day care is not a babysitting service. It is a vital part of the responsibility of our society to establish an atmosphere in which the best possible environment for our children is established during their formative years. The school system attempts to provide such an environment for children of a school age, but these extremely important pre-school years merit even greater attention. We would urge you, therefore, to reconsider the introduction of any legislation that would lower the quality of day care in Ontario.
>
> Specifically, we cannot accept any reduction in the professional standards for adult personnel in daycare centres. Because of the importance of the programmes, only highly qualified staff should be employed.
>
> Also, we must oppose any alteration in the ratio of staff to children. Our experience as teachers indicates that frequent attention on a one-to-one basis with the children in our care is absolutely essential.

And on a one-to-nine basis, how much individual attention do you give to a two-year-old or that group from age two to four? That letter was directed to the minister. I'm not sure what she's responded to it but, as I say, in later days even more people are coming forward in opposition.

Early Childhood Education; they have submitted a brief to the minister as well. All of these briefs deal with two topics primarily; ratios and qualifications.

The Canadian Council on Social Development published in July, 1973, national guidelines for the development of daycare services for children. These guidelines were prepared through consultation with various knowledgeable individuals, community groups, social service agencies and professional organizations under the national welfare grants programme of Health and Welfare Canada. Recommendations concerning staff—child ratio states:

> The primary staff-child ratio should be calculated in such a way as to maintain:
>
> 1. Adequate physical protection and well-being of all the children.
>
> 2. The probability of strong attachments developing between individual children and staff members.
>
> 3. The possibility of achieving specific programme requirement.

> While these ratios will differ from facility to facility depending on the combination of factors mentioned above, the committee recommends the following ratios as minimum guidelines: For infants, a ratio of one primary staff person to every four children; for toddlers, approximately 15 months to 30 months, a ratio of one primary staff person to every five children; for children 2½ years to 4, nine.

And what do they say on the second point?

> Qualifications of staff. The staff in the day care centre is the most significant factor in determining the quality of a child's experience there. In a study by Bloom it was shown that 50 per cent of all the factors that determine intelleutual functioning are formulated by age four, and that we would expect the variations in the environment to have relatively little effect on the IQ after age eight; but we would expect the greatest effect likely to take place between the ages of one to five.

The standards which we have had go out the window as the minister gropes desperately to try and provide 3,500 possible new placements; you know, with no infusion of real money.

The Community Day Care Correlation in Metro Toronto talks about a study on ratios and also presents a study which was done in New York which makes a comparison of quality-type ratios and those for expediency's sake to try and find babysitting institutions.

> A recent study conducted by the Day Care Council of New York City on graduates of daycare programmes is instructive. Sixty-six graduates from licensed programmes were compared to graduates from unlicensed programmes. Licensed programmes had professionally-trained staff working with children in the ratio of one to three for three-year-olds, and one to seven for five-year-olds. Unlicensed programmes were characterized by teachers without formal training and with ratios approaching one to 15.

The characteristics of the unlicensed proups closely corresponded to the conditions which the government's proposals would create for daycare programmes in Ontario. And the result:

> Children from the licensed programmes were observed to have increased attention span in school, demonstrated a higher participation rate in class, were at a far more advanced reading level for their grade, weighed more in their first grade. Overall, the children from licensed programmes were apparently better prepared for the social demands of school; that is working in a group with other children and responding to the expectation of that environment.

Also, there's an interesting one submitted to me by the Association of Early Childhood Education, London, Ontario. I'm only going to read the first sentence. It's rather intriguing in view of the fact that I spent about 2½ years on a select committee with this fellow. It says: "In considering the meeting of Friday last, I thought that you were definitely not communicating with Gordon Walker."

That would be easy to understand, Dick, would it not?

Hon. D. R. Timbrell (Minister without Portfolio): Yes.

Mr. Martel: "It appears that the definite block of understanding lies in his and other people's ignorance as to what a trained person does in comparison to an untrained person."

I think that speaks loads for Gordon.

Then there are the myths the minister talks about. In a letter to me, the Social Planning Council of Ottawa was a little upset by some of the minister's statements. She has a faculty for making statements. Too bad she wouldn't take time later on to explain them.

"We take great exception to the allegation on page 13 that the small child-staff ratios are a major piece of social service folklore."

Maybe the minister will dispel my fears tonight and she will present or table the report on which she made her decisions, because I think the folklore at the present time rests with the minister totally.

I want, and I intend to pursue it, some answers to some substantial questions that have to be responded to. Before I raise those questions, I want to just present the Ontario Welfare Council Action Committee on Daycare, just briefly, on a couple of comments they made.

"While we support the goals outlined in the June, 1974"—you see I'm being fair to you—"daycare service for children statement to the Legislature by the Provincial Secretary for Social Development to make supervised day care more adequately available throughout the province . . ." Commendable. "To ensure the maintenance of quality care . . ." Great. "To provide Ontario's parents with greater choice regarding the type of daycare . . ." No one argues with that. No one argues; commendable.

I hope the minister never gets involved in reading another diatribe like that was. Whoever prepared that for her had to be—I think unstable might be the kindest way of saying it. That was a statement like I've never heard in this Legislature in seven years. What was said in that diatribe could have been said in two pages and it ran on for hours.

But the real criticism comes down to how you intend to implement those wonderful recommendations. Let's see what they say:

> The addition of $15 million to the 1974-1975 provincial daycare budget and the proposed one to two per cent rate of growth in this budget over the coming year will not be sufficient to ensure an adequate rate of growth in supervised quality daycare programmes in Ontario. A number of the specific economy-oriented changes in licensing criteria for Ontario daycare centres discussed in this statement will, if implemented, seriously lower the quality of day care received by children throughout the province. Daycare choice for parents can only become real when various types of quality daycare programmes are available at reasonable cost at the community level.

I want to just mention the folklore again, because I want to come back to that folklore bit. As I said, I think it's the minister, and I want answers to specific questions.

Who made up the committee? Whose recommendations were accepted by the minister and ultimately the government?

I don't blame this minister entirely, because all of this has to have cabinet approval. If the ministry has got to be blamed I don't think it is ultimately one minister that bears the responsibility. They might have done that to Fred Cass a number of years ago when they put the sad news to old Freddy. But the government, which is the entire cabinet, agreed with the minister and they ultimately must share the responsibility.

I want to know who is on that committee. I want to know their background. I want to know what their experience is.

I've heard rumours that Bob Sirman was on that group. I don't know if that's true or not. I can recall spending a delightful evening with him. I think my friend from Nipissing was with me on that evening when we spent an enjoyable evening at the Sutton Place with Bob Sirman a couple of years ago. He was then an expert, I believe, on culture, was it not?

Mr. R. S. Smith (Nipissing): Culture, yes.

Mr. Martel: Yes, culture. He was an expert in those days, on culture. I don't know if he has now become an expert in the field of day care. If he is not on the committee I apologize. I'm told he was, and it is sometimes called the Sirman report.

He confused me that night. I checked with one of the Conservative members who served on the committee with me, and he confused him too. If you would ask my two friends from the Liberal Party who were on that committee with us, they were confused as well. Maybe that's why, if he was on it, we have such a confusing situation tonight. If I'm maligning him unjustly, I will apologize.

I want the backgrounds of the various people who served on that little committee. I want to know what they based their decision on also. Everything I've looked at, whether it be teachers who are heavily involved in children, whether it be coalitions for day care, whether it be social planning councils or whether it be the federal agencies; everyone disagrees with the position taken by the ministry. I want to know what they based that decision on.

By the way, I did have someone go through that pile of material which was presented back in June, and they searched desperately to see on what the minister based her decisions.

That's been kept back. Obviously the reason it has been kept back is that the people, even those in the Ministry of Community and Social Services responsible for day care, were not involved. Miss Stapleford was left out in left field by herself. She is only the director for daycare services in the province. One certainly wouldn't involve her! I mean the last person you'd go to is the director of day care for the province. It is actually incredible. Why won't the minister release the report to us?

I understand, and it is just rumour, that the minister, in fact, is getting some advice, and following that advice, on the Montessori system. I must confess I know little about it.

Mr. S. Lewis (Scarborough West): It's not bad.

Mr. Martel: It's not bad if the staff, I'm told, is well qualified.

Mr. Lewis: That's true.

Mr. Martel: And if the children are well prepared for the system. That's what I'm

told by the experts in the field. I don't profess to be an expert.

These questions hopefully the minister will answer. As a critic for Community and Social Services I've always found this an intriguing field. I think if there is one ministry that should, in fact, place first in priority in the province it should be Community and Social Services, because that's where we would see our moneys having the greatest effect in the province.

We would see the most benefits in the most tangible fashion possible. Yet every Tory shies away from that ministry like it had the plague, because each Tory knows that when they go efore Treasury board they are going to get shot down. Tom Eberlee didn't leave the province for nothing.

Mr. Lewis: He left it with nothing.

Mr. Martel: He got frustrated trying to get moneys for the groups that need it most.

I want to come back to something I mentioned earlier. In a society where there are tremendous pressures, many parents must both work—not because they both want to but just to survive. We must increase the funding so they can be assured their children are looked after properly—not just in a babysitting situation but in an educational and informative way.

If this ministry is going to serve a function —I am talking about some of the stuff you outlined in your opening remarks — why don't you get involved? Why don't you try and get involved in trying to devise a system that deals with the total need of a family? I am so fed up watching families being destroyed because of the bureaucracy and the red tape as we run them from pillar to post.

As I said earlier, if you have got a family on welfare, you usually have got six or seven problems, and in this province we deal with the six or seven problems in isolation. We never put it together to deal with it as though it were a family. You people have so successfully cut it up that you save no one.

I have been asking the Ministry of Community and Social Services in the three years I have been critic to develop a system for the total delivery of services to the family as a family unit—not in isolation, not running the children down to the Children's Aid Society and off to the courts; with the father looking for some assistance to find a new job or to be retrained; and when OHIP runs out and they run to the health department—it just goes on and on and on. If you wanted to provide one function out of that ministry it would be to co-ordinate the delivery of services to the most needy groups in this province; and we can't get that either.

You might be serving a useful function if you can get Rene Brunelle to introduce a nutrition programme. It's indicated that the cost in the United States for children born where malnutrition was a problem is $3 billion a year for special education, for special treatment in homes, in clinics, in institutions. If one takes that Canada has a tenth of the population of the United States and we have roughly the same number of people in the poverty line proportionately, we are talking about $300 million a year in Canada. You might do something about that to ensure that poverty-stricken women during pregnancy eat adequately so that the children have a chance of being born normal. This is if you want to do something useful; because obviously Community and Social Services aren't too interested.

Let me just finish off, Mr. Chairman, just to substantiate that final statement—on the brief prepared by the Community Day Care Coalition of Metro Toronto dealing particularly with that:

> We would advise the taxpayers of Ontario to think carefully about what the government has promised to save money.
>
> Young children with special needs who receive inferior quality service in their critical early years of development can become a more substantial expense for taxpayers in their later years, either through expensive remedial educational programmes, mental health care programmes or through a variety of other child adjustment and health services.
>
> For example, the cost to the taxpayers of placing a troubled child in a residential mental health care centre can vary up to $21,000 a year in a group home, and to over $40,000 a year per child in an institutional setting.

If this government doesn't wake up some day to the need to move in a direction which is preventive in nature, we'll never deliver the systems that are necessary and we'll bankrupt the province.

Mr. Chairman: Would the hon. minister like to reply to any remarks?

Mr. Lewis: You can reply now.

Mr. Chairman: Not now?

Hon. Mrs. Birch: When they're finished.

Mr. Chairman: The hon. member for Nipissing.

Mr. R. S. Smith: Generally the minister replies to the two leadoff speeches and then we go on from there.

Mr. Chairman: She doesn't care to. If you want the floor, why you've got it.

Mr. M. Shulman (High Park): Are we not going to get any replies to all these accusations?

Mr. R. S. Smith: We're going to have the most silent minister in the history of the Legislature!

Mr. Shulman: How can we have a debate if she won't make a reply now? If she waits till the end there can be no debate.

Mr. R. S. Smith: With this kind of debate we might as well all go home.

Mr. G. Nixon (Dovercourt): Well you might get through the estimates.

Mr. Chairman: Does the hon. member for Nipissing want the floor at this time—

Mr. Martel: She's supposed to be replying. That's what the estimates are about.

Mr. Chairman: Because the hon. member for Scarborough West wants it if he doesn't.

Mr. Shulman: That is a complete abdication.

Hon. Mrs. Birch: I will reply.

Mr. R. S. Smith: I have some specific questions to ask the minister. Is she prepared to reply now?

Hon. Mrs. Birch: I have the questions here. I will reply to them after.

Mr. B. Newman (Windsor-Walkerville): Oh, we may not have the time.

Mrs. Campbell: What happens if we run out of time?

Mr. R. S. Smith: What happens if we run out of time? Do we not get replies?

Hon. Mrs. Birch: I will see that you get your answers.

Mr. Lewis: You'll probably write the answers.

Mr. R. S. Smith: I have some comments to make in regard to this—

Mr. Lewis: I wouldn't settle for that. It's ridiculous.

Mr. R. S. Smith: Well what can I do? I'm not a dentist, I can't pull it out of her. Well, it's her prerogative. If the minister chooses not to reply, I suppose it's—

Mr. Lewis: No, it's not the minister's prerogative to destroy debate in the House. She has heard two leadoff speakers.

Mr. R. S. Smith: I know, but under the rules—well, that's fine.

Mr. Chairman: Will the hon. member for Nipissing go ahead with his comments at this time please.

Mr. R. S. Smith: I'm prepared to go ahead, regardless of whether the minister wants to reply or not. I have some specific questions—

Mr. Martel: Her silence is an indication.

Mr. R. S. Smith: I have some specific questions that I want to ask about the function of this ministry, where they're going and what they're doing in some specific areas.

If you look at the total of the funds for which there is overall responsibility in this ministry, it comes to $5.5 billion, which is 70 per cent of the total provincial budget. I'm sure that when we look at the people who are involved within this policy development field, there is no way that these people are able to co-ordinate the expenditures of $5.5 billion, let alone co-ordinate the policies under which these expenditures are made.

As I see it, in the past 18 months the ministry has dealt with perhaps three areas—maybe four at the most—one being day care, which has been adequately covered by the previous two speakers. They've dabbled in the whole area of social planning.

I see in the estimates this year that there is an amount of $444,000 for the development of social development councils. I presume that these are to be developed along the same lines as the health councils that are to be set up across the province—the minister shakes her head to indicate that's not right.

Well, I would think that's a new programme and that she would have explained it in her opening remarks, because nobody has ever heard of it before. I've heard of it before because one person from Community and Social Services has come and interviewed me as to my ideas on what a social development council should be. But there has never been a public statement from you or any

other minister under your aegis in regard to what social development councils are to be.

I think it's about time that you told us what you're doing, and perhaps told the other ministries as well what you're doing.

I have an idea of what social development councils should be. I think they should be on a local level where the local people involved in social development are allowed to get together and set the priority needs in that area, whether they be elderly, middle-aged or young; and I would include in that the needs of the area insofar as daycare and old-age centres are concerned. So it has to cover the whole broad area of social development, as well as the health services that are being provided to those people.

So I think that with regard to social development councils and health councils it's going to be very difficult to draw a line as to who has responsibility for what. Perhaps the minister could explain to us tonight exactly what she means by that, because I cannot see us voting that type of money for a programme we have never even heard of, and nobody else in the province has heard of.

There are a couple of other areas I want to discuss. One area where I suppose there was work for the Social Development policy field in the past year was the area of the GAINS programme, because it did cover more than one ministry; although as it turned out there is one ministry that is not included in your area that is carrying a major part of the GAINS programme and that is the part that is to do with the elderly. It has nothing to do with any of the ministries that is covered by your area as far as I can see.

Then, of course, there was the drug programme which was referred to earlier by the member for Sudbury East. Some of the things that have been left out of the development of that programme have been very difficult to understand.

After a month's operation the ministry has become very intransigent in its approach to any change. There will be no change at all, even though there are some very serious omissions and errors in that programme, until January when they come out with a new formula, which will then be gospel for the next six months and from which there will be no variation whatsoever again.

This I have dealt with on a number of occasions with people within that ministry responsible. But there are two basic things in that programme that must be changed between now and January. The first is the fact that, come February, for all the prescriptions that are being provided to the people under the different programmes, a written order from the doctor is going to have to be necessary.

This is, in my opinion, going to bring chaos into the whole procedure—as if we haven't got chaos there now. I think if you ask most of the practitioners, some of them on your own side, if they are going to be willing to write a prescription every 30 days for each of their patients who come under this programme, you are going to find they are going to revolt against that, when in fact there are simpler and easier means of doing it that have been carried on over the last 50 or 60 years.

What it does, in fact, is say to the pharmacists of this province: "We don't trust you." That is what your ministry is saying to them under that programme. "We want you to have a signed prescription before we make payment to you."

You don't say to the doctor: "We want you to have a signed statement from the patient that you provided those services before we will pay you." But you are saying that in the case of the pharmacists.

To make that programme work, you have to have the trust of the pharmacists, and you are not going to have the trust of the pharmacists if you say to them right off the start: "We don't trust you." That is going to be their reaction with you and you are going to encourage a game with them in that programme, where they are going to try and beat you just as you are going to try and beat them.

Mr. Shulman: It costs them so much more because the people go to the doctors unnecessarily.

Mr. R. S. Smith: That's right. Every time they have to go to get a prescription written out. I don't think you expect the medical profession to write out a prescription without a fee, and that's going to add additionally to the cost.

Mr. Shulman: Six dollars and seventy cents every time a prescription is written out is such a waste.

Mr. R. S. Smith: Yes. That's right.

Mr. Shulman: More than the prescription is worth.

Mr. R. S. Smith: More than a prescription is worth.

So you have two things: First of all you have the additional costs from the medical profession, plus the fact that you are saying to the pharmacist that we don't trust you. That is just what you are saying to him. He is not going to sit back and take that. If he does—well, that is a profession which I belong to, but I would not have much use for them if they accept that proposition.

The other part is the fact that you have limited the amount of drugs that can be provided under any prescription to a 30-day supply. In most cases this may be good. It may be good in medicine and it may be good in law. But there are many cases where people are going to be on prescriptions for long periods of time, and it would be much less costly for the government if they provided a 90-day supply and marked in their formula those drugs to which they would allow a 90-day supply to be dispensed at once, with one dispensing fee. Don't forget that every time they dispense it is costing you $2.10 or $2.15, plus the fact that you are going to have the doctor's $6.70 bill coming in; so that is what it is costing.

There are two things in that plan that really have to be worked over or the whole thing is going to be chaotic come February when that part of the procedure is put into practice. It is not in practice now, but the ministry is intransigeant on it. They say: "we are not changing and that is it."

Mr. Shulman: They are now.

Mr. R. S. Smith: I know, but if they don't change that it is going to be even worse.

There are a couple of other areas I'd like to cover with the ministry, one of which is a guaranteed annual income. I suppose this is the area that we should be looking at that, although I see no evidence that your policy field has had anything to do with guaranteed annual income whatsoever, except insofar as the input into the GAINS programme is concerned. Apparently that has been dropped to the Treasurer (Mr. White) because he is the only one we ever hear talk about negative income tax or—

Mr. Shulman: Cash in and cash out.

Mr. R. S. Smith: Cash in and cash out. Yes, but he also refers now and again to guaranteed annual income. He claims that the GAINS programme and the other rebate programme for the old aged and to low-income people are the beginnings of his type of guaranteed annual income.

It is really a hodge-podge of programmes that you put together. You come out with assistances to low income groups, but you can hardly call it anywhere near a guaranteed annual income. If we talk about that, we get back to whether or not the federal government is prepared to move in that direction and what the provincial input will be.

I believe this is the area where this policy development field should be looking for most of their activities. It is obvious that if we are going to have that type of programme, it has got to come at the federal level and it has to be worked in co-operation with the provinces. Each province should have its own programme which dovetails into the federal programme.

In other words, we have priorities set by the federal government, but each province should have some say in the way that the federal government distributes those funds throughout the country to provide a guaranteed annual income eventually. The federal government tried to do that with the FISP programme in 1970 and 1971, and it failed because of lack of input of this government at the Victoria conference where the FISP programme became the key to whether we repatriated the constitution or not.

It is very difficult to understand how a programme like that had so much to do with whether we repatriated the constitution or not, but that is what it came down to. The minister from Quebec at that time held that he would not agree to repatriation through the formula that was provided unless there was agreement that the provincial governments would be given the responsibilities in the social welfare expenditures that were made in their provinces by the federal government.

Our Premier, Mr. Chairman, attended that conference. It was just prior to a provincial election in this province and for political reasons only he was not going to ally himself with Quebec because that would have looked bad and might have cost him a few votes. So he said nothing and did nothing at that conference, just as he has done at most other federal-provincial conferences since then. Actually, English-speaking Canada has lost its leadership at those conferences because of our Premier.

But to get back to the guaranteed annual income, of which this is all part: The fact is, it is time that this government was developing a programme to put all these things

together so that when the federal government is prepared to move—and I believe it will be within the next four to five years—the province is prepared to say what its priorities are, and to work with the federal government so that we have a programme that dovetails and so that we have a programme that has provincial input.

I don't think the guaranteed annual income in Newfoundland should necessarily be the same as it is in Ontario. I'm not saying that in terms of dollars and cents, but in terms of ratios—and this has been the case as far as Family Allowance payments are concerned. It is different in different provinces. Of course, Ontario took the easiest way out and didn't even consider providing low-income families with more money. They just provided everybody with the same and said to the federal government, "Get us more back in taxation in that way." And that was in the interest of the government; but not of benefit for those who were going to receive it—and particularly the low-income families. I feel that this ministry failed in its input into that programme.

There are a number of other areas that are more specific that I would like to cover, but perhaps if I did that we would never get any answers. So I think I will just wait for some answers on those questions; and I have some others if there are answers forthcoming.

Mr. Chairman: The member for Windsor-Walkerville.

Mr. Lewis: Mr. Chairman.

Mr. Chairman: I guess we will have to alternate it. The member for Scarborough West.

Mr. Shulman: Is there going to be no debate at all—a series of speeches and no replies?

Hon. Mrs. Birch: I just want to give everyone a chance to comment.

Mr. Lewis: If we ended up around 10 o'clock, you would have time to make replies. It is a peculiar way of doing things but—

Mrs. Campbell: It's done all the time around here.

Mr. Lewis: No. Most ministers positively hurtle into the fray after the lead-offs.

Mrs. Campbell: Not if they are in trouble.

Mr. Lewis: The member for St. George led off, as I understand it. I even had a full written report on what you said, Margaret, just to show how carefully I like to keep track of your speeches; forgive the first name observation. And there was my colleague from Sudbury East. I gather they both said some pretty straightforward things.

I'll tell you why I am on my feet, Mr. Chairman. I'm on my feet because I couldn't possibly sort of survive if I didn't say something to you about the whole daycare business. I couldn't make it through the day if I didn't have something to say.

I just want to say in passing that I don't really want to deal with anything else. I think the ministry is completely irrelevant, totally and completely irrelevant. I see no purpose for it, no reason for it, except sheer perversity on the part of the government.

I understand you do some co-ordinating things. I'm sure you generate the occasional useful idea. I have not yet observed one, but I am sure that happens. But that can be done by a good, competent senior civil servant—and you have many good, competent senior civil servants on your staff. It doesn't take a complete budget.

It doesn't take a complete ministry. As a matter of fact, I know a number of fairly bright undergraduates who could do the whole blessed job that the entire ministry is now doing, because the basic on-line decisions are being made by the ministries within the Social Development apparatus. While they appreciate the conceptual possibilities of sitting down and chewing things over at a table and trying to integrate social welfare, health and whatever else it is—it impresses me not at all.

My colleague from Sudbury East chronicled some of the approaches of the minister and the ministry. I won't enter that fray. I want to say some words about day care. I want to start with a small personal anecdote.

During the course of the Stormont by-election, as I tramped around with our candidate, I had occasion to spend one of the more fascinating hours I've spent in the last number of months visiting the Richelieu day-care centre in Cornwall. I really enjoyed that. It's an absolutely splendid daycare centre. The setting is bright, fully equipped and very, very attractive. It is very, very attractive for any child who would wander through the door. It's built on a variety of levels with enormous ingenuity, so that in most instances by using different levels the staff is on an eye-to-eye basis with the child rather than

forever towering above the child. I thought that took a nice architectural touch and showed a certain sensitivity. It is, as I said, very well equipped. The staff struck me as entirely dedicated. They moved easily. They related easily. It was a pleasure.

We walked through one of the doors into the nursery area and there were three kids—infants, I suppose, is the more appropriate term—between six months and 18 months. Two of them were in cribs. One of them was in the arms of the staff member and all of them were crying simultaneously. All three of them were crying simultaneously. I looked at the staff member who was frazzled beyond belief.

I want to make it clear that I really liked the Richelieu daycare centre. If I was living in Cornwall with a municipal daycare nursery of that kind, I would send a child there without the slightest hesitation because I am sure it's the best daycare setting for miles around.

I looked at that young staff member holding this frantically bawling infant in her arms, while the other two chorused their recognition in the cribs which, as you know, infants invariably do, and I thought to myself that the whole daycare proposals from the government are madness. Here's a staff member with that kind of limited ratio, before you have inserted your new ratios, who couldn't possibly cope. I have twin sisters. I have learned in life to handle two but I couldn't rock three. I want you to know that. I defy you to show me a staff member who could.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): You can rock a lot more than that.

Mr. Lewis: You, I would like to rock in a different fashion, but I won't allow myself to be diverted.

Hon. Mr. Winkler: Have you got a brother?

Mr. Lewis: It never fails. You put the Chairman of the Management Board and the member for Oshawa together, and look what happens.

Mr. C. E. McIlveen (Oshawa): Just look at you.

Mr. Lewis: You smell authority, don't you? You are starting to interject, hoping that they will make you a cabinet minister. That's not the way to the top. All right, let me say to the minister, Mr. Chairman—

Mr. Martel: The Chairman of the Management Board wants to watch his job.

Mr. Lewis: —that what I observed in that little setting was a child-care relationship incomplete, because the staffing was inadequate, but that staffing is even higher at all the age levels now than it will be when your regulations come in.

I must say, Mr. Chairman, it's easy for me to talk about it and about the Richelieu daycare centre, standing snugly in the legislative club on a Monday evening. But the fact of the matter is that there were two infant kids who desperately needed adult attention and couldn't have it, because no individual adult is capable of handling all the demands in that kind of setting simultaneously, and what you are going to do is dilute that relationship further.

May I say to the minister that I am no expert on it. I understand a little about child care. I have spent some years of my life involved in child care, but the thought that the ministry introduces this kind of thing is a type of sickness.

There are three things about child care. There are three things that are absolutely essential, that have to be dealt with. First is the enormous anxiety of the child. For an 18-month-old child, the separation anxiety is incalculable. That an 18-month-old child should be left crying for 10 minutes without an adult response is inevitably damaging to the child—marginally perhaps, fractionally perhaps, compensated perhaps in all kinds of loving home environments; but it's wrong. It should not happen.

Then there's the tremendous anxiety of the parent. I don't care for what reason a mother goes out to work—by choice, by necessity, or whatever. I have yet to meet a mother who doesn't feel a certain guilt about leaving the child in the care of some kind of daycare apparatus. It's absolutely intrinsic to human functioning that that should be the case. The mother too will experience anxiety. You don't raise the levels of anxiety by diluting the staff content. That's just wrong.

The third thing, in addition to the anxiety of the child and the anxiety of the parent, is the possibilities that are inherent in a child-care relationship, in a childcare arrangement, for the proper development of the child. It's a very exciting thing to see what can be done in appropriate childcare for kids who are six months, one year, two years, three years, four years of age. It's a very exciting thing to witness. And when they have the

appropriate kinds of support, when they have the appropriate kind of staffing, a great many important things can happen to their own growth and development.

All of that will not be possible in the kinds of ratios that you intend to introduce, because the essential truth about childcare is summed up on the one hand by relationship and on the other hand by communication. That's what it's all about. And the capacity to communicate and the capacity to relate depends on the numbers in considerable measure, as close to one to one as it is humanly possible for society to order.

But in the minister's present circumstances, in the present circumstances of the ministry in terms of what you're doing, you're again diluting what is absolutely central to appropriate childcare.

Now, I don't understand why. I think the regulations are destructive as hell. I can't believe they're being introduced; I don't know what it is that grabs the government about doing this kind of thing in the childcare field.

There was all the talk about the private sector. Well maybe that's true, I don't know. I don't know whether it had anything to do with increasing the profits of the private sector, although that is apparently one of the consequences of raising the ratio.

I do know that I got a letter from the head of Mini-Skools, I forget his name, but it was a fellow who is based in Georgia, or Alabama or wherever. He invited me to come and view the Mini-Skools because of the tremendous commitment they had to "the childcare industry." Well, when a man writes me a letter as head of a childcare agency and talks about the childcare industry, I want to tell you I know everything I want to know about Mini-Skools. More than that, I know everything I have to know about Mini-Skools.

Mrs. Campbell: It is called: "Children the master".

Mr. Lewis: Because when you talk about a childcare industry, it's so berserk, it reveals so much about the nature of relationships and about the way in which they view their apparatus, that I don't want to know any more about it. It sends chills up and down my spine anyway and I prefer not to watch it in operation. As much as the staff and others may feel that that's really important, obviously it then becomes a profit-making agency, obviously that's what it's all about. You don't talk about children in an industry unless you see industry as part of corporate profits.

I've not heard, you know in the whole apparatus of mental health, working with emotionally disturbed children, dealing with children generally, I have never heard the childcare industry phrase used in that fashion when talking about the needs and caring features of infants and pre-schoolers.

I mean, you have to have a certain twist of mind which is socially destructive in order to put it that way, let me assure you.

I think, unlike other people, that what really happened—and I might as well say it in the Legislature—what really happened—is that daycare has always been at the bottom of the list for this government, always been at the bottom of the list. It's never been taken very seriously. It's always been seen as an appendage of women's rights, and women's rights have never been taken very seriously.

Until Margaret Birch and Margaret Scrivener and Margaret Campbell entered this Legislature, the place year after year was filled with male-jock, locker-room humour every time we talked about women. You don't have to tell me, I sat here and listened. For nearly a decade I listened. Every time you came to the estimates, where women were involved, in any facet of government, that's what we heard, that's what we were subjected to.

Now it's a little less explicit now, a little less overt; there's a certain self-consciousness, there are women present. But that's really what accounts for what has happened to day care in the history of this government in this province.

Nobody took it seriously because; (a) it was a social service; and (b) it involved women and therefore it was inconsequential. But then the women's movement began to flex its muscles; then women's rights forces began to gather and make an impact on the government and the government felt it had to respond.

So you peel off $15 million to create a few thousand more places, feeling that that might appease the antagonisms out there. And in the process you dilute the ratios so you can create a few more spaces, a few more thousand spaces, without any further investment of money.

I gather my colleague from Sudbury East said 16,000 more places, $15 million more; he wondered whether it was worth it—and I wonder whether it is worth it too.

I laughed, as all of us laughed, when you elevated your great red herring in your remarks of June 4 about universal day care. How dare the government talk about uni-

versal day care as though it was some kind of reality lurching its way into the public domain of Ontario. You are going to have between 30,000 and 40,000 places in a province which needs 300,000 minimum.

How do you talk about universal day care? Merely to talk about it is to laugh. It was never a consequence. You don't have to raise it as a red herring. You don't have to terrify us by billion dollar extravaganzas.

We are nowhere near universal day care in Ontario. We are so far from it, it isn't even worth discussing.

Mr. Martel: Only 12,000 get help now.

Mr. Lewis: The reality is, of course, that day care is impugned on every front; and these regulations have dealt a body blow to quality day care in Ontario.

I want to say to the minister, through the chairman, and I mean it not at all in a personal sense, that the minister has uttered on behalf of her government some dreadfully reactionary statements. I've seen reaction; I've lived with reaction in this place for 11 years. I've seen prepalaeolithic specimens over there out of the prehistoric period. I can bring my children here rather than to the dinosaur exhibit at the Royal Ontario Museum—and they'll learn a lot more, let me tell you.

Mr. McIlveen: Sure will.

Mr. Lewis: But you have uttered some reactionary statements which boggle the mind.

I might say, I know the member for Peterborough is chuckling, because he identifies.

Mr. J. M. Turner (Peterborough): You are the one who is doing the chuckling, not John Turner.

Mr. E. M. Havrot (Timiskaming): Like a broken record, same old sound.

Mr. Lewis: I must say that the whole Social Development secretariat, therefore, worries us. If your views are so reactionary on something like LIP or day care, then what are the views on other things that are essentially human and social and fundamental. I can't believe it.

Do you recall the things you said about day care? You impugned the whole daycare movement within days of making your statement, because it was said it was the product of the early childhood education association.

Do you remember your statements trying to fob us off with the proposition that only this one traumatic, militant little group with an axe to grind was behind the daycare movement? Did you listen to the list of people and groups my colleague from Sudbury East read off?

The daycare movement has the support of every single, enlightened body dealing in child care in the Province of Ontario. You can't pretend in some reactionary outburst that it is one little group manipulating the rest.

When we were in Scarborough, our home community – the soul of progessivity – you saw those women who gathered outside the doorstep in the new Town Centre, or whereever the meeting was taking place. You told them they were elitists because they were requiring certain kinds of child care. You know when you become an elitist and ask for day care? It's when you've got 320,000 places for a 300,000 demand. That's when you have elitism. You don't have elitism when you've got 30,000 or 40,000 places for a 300,000 demand.

A charge of elitism is so nuts; why make it? It is a terribly reactionary view of the world. There are such desperate needs in these fields. To label it in that way is again to engage in the effort of isolating a group for the sake of focussing public resentment against them.

How many groups can you isolate in Ontario at the same time? You are doing very well as a government. You've got them all—farmers, teachers, hospital workers, civil servants, daycare people. One day all of those groups will find something in common; and then all of you will have something in common as well—you'll be unemployed.

But until that time there is a great deal of damage being done, and it's being done in the whole daycare apparatus.

What about this advisory committee? Maybe you can tell us a little bit about the advisory committee? We are sitting there in the estimates and Elie Martel is launched into flight in one of those magnificent speeches of his, which get better and better and better in this field, as you saw this evening, because there are few people—

Mr. Havrot: Like a broken record; same old sound.

Mr. Lewis: Your speeches consist of interjections and that exhausts you, a word at a time; the only walking monosyllable I know.

Mr. Havrot: See what all your speeches do here.

Mr. P. D. Lawlor (Lakeshore): Why don't you try it sometime?

Mr. Havrot: You are going to be looking for a job just like your father after the next election.

Mr. Lewis: My father found a very good job; I should be so lucky.

Mr. Chairman, you set up an advisory committee of your—

Mr. Havrot: All you do is talk.

Mr. Lawlor: We'll turf you out from up where you are.

Interjections by hon. members.

Mr. Chairman: Order please.

Mr. Lewis: I am glad we have engaged a part of you in this debate. I am not sure which part, but I appreciate your involvement.

Mr. Havrot: Yes, yes; you are a great debater.

Mr. Lawlor: His intelligent part is a silence act.

Mr. Havrot: I get a big kick out of you scholastics.

An hon. member: Shut up.

Mr. Chairman: Order please. The member for Scarborough West has the floor.

Mr. Havrot: As long as he doesn't dirty it.

Mr. Martel: Is he for real, Mr. Chairman?

Mr. Chairman: Order please. Let the member for Scarborough West carry on.

Mr. Lewis: What has happened to the advisory committee? When Elie Martel was debating, as was the member for St. George, with the Minister of Community and Social Services in the estimates dealing with matters of day care, the minister suddenly looked up his sleeve and pulled out an advisory committee in order to take off the heat, and he quickly named the people involved. I was kind of sorry that they all agreed to participate, frankly, because there is a certain co-option involved, although you merely agree to participate. But all right, they did, and I presume in good faith.

So what happened to that committee? You have emasculated that committee. That committee has not yet discussed and reported on the more controversial parts of your daycare regulations. According to Anne Barstow, in a quote I got from the Globe and Mail in the past 24 hours, you have not yet had a serious and lengthy discussion with that committee about the controversial aspects of your daycare regulations.

Now the question is, when is the committee going to pass judgement on the regulations, and what happens if the committee says the regulations are unacceptable? I know none of that is going to happen. What you are going to do is Gazette the regulations and then allow the committee to monitor what the government has established, monitor a fait accompli.

I hope they all resign on you. I have no guarantee that they will and I suspect they won't, but it would serve the government right, because you are playing the committee for a patsy role, and self-respecting people shouldn't put themselves in that role. That's right, because these people know what quality day care is about, and you are destroying quality day care in Ontario.

You talk to me about quality not relating to numbers, in answer to a question a little earlier this week. Quality and numbers are directly related. To have good quality you have to have high staff ratios. That is what good quality is all about. I don't like this lending of credence to perverse or bad social policy, but it has happened. You will deal with the advisory committee. So be it.

I don't want to take any more time, but I guess what bothers me about it—I guess what bothers all members of the opposition about it, and I presume some members of the government—is the way in which you invite so much social dislocation and social deprivation by building inequality in at the earliest ages. That is what is so crazy about it.

We spend all our time as a society of adult legislators bemoaning the fact that kids, when they reach the age of adolescence, or immediate pre-adolescence, are in terrible trouble, and the world is filled with chronicles of the Derek Halanens, who at the age of 15, one never knows whether they threw themselves out of a window and committed suicide or whether they fell accidentally from great heights. All that one knows is that for the previous two years they passed through six institutions in the Province of Ontario with no one keeping track of what was happening to them. And when you visit the Children's Aid Society anywhere across the province today what they talk to you

about is the opting out, unmanageable, profoundly disturbed adolescent. Where does it all begin? We all know where it all begins. The greatest single contribution one could make to diminishing the consequences in adolescence is to build a powerful daycare apparatus at the earliest ages. That means staffing, that means qualifications and that means quality. Nothing we can say to you seems to get that point through, because the ministry is obsessed with numbers and with dollars and with buildings, but never with human realities. I just can't believe it.

My mind forever rivets back to the scene of three infants crying simultaneously in a nursery, with all that that means, without the adequate staffing arrangements that should be, and knowing that your regulations will make it even worse. Well, we object to it. We repudiate it on every ground. Whether you recognize it or not, you are destroying the apparatus of day care in Ontario.

I don't care what sophistry all your advisers and supporters engage in, the human reality for the kids involved is a serious diminution in the quality of relationship they're receiving. You don't just play around with children that way. You just don't toy with them that way.

Interjections by hon. members.

Mr. Lewis: I'm putting it to you as strongly as that, because we spend all our time in Ontario picking up the pieces. We deal with the wreckage, estimate after estimate. We're going to be dealing with the Minister of Health (Mr. Miller). You watch how long we spend on mental health dealing with the wreckage of the adolescent community.

We have a tremendous opportunity to do something about kids and what do we do? We take several steps back. I can plead with you to reverse it. I know it won't happen, but I do know that the daycare movement is continuing to fight. They're not going to stop. They're going to be around for the next several months, right down to the election. They're very, very serious about their cause. They'll go on as long as they have to and they understand, because they're on the front line every day. I want to know who in the front line gave you the recommendations to do the destructive things which your ministry is now engaged in doing.

Mr. Havrot: Shakespeare awaits you.

Mr. Chairman: The hon. member for Windsor-Walkerville.

Mr. B. Newman: Thank you, Mr. Chairman. As this is the policy secretariat dealing with social development, I wanted to bring a few problems to the attention of the minister and hope that she may develop policy that would relieve the anxieties and the difficulties of one or two segments of our society.

At the outset, I would like to state that, having sat on the select committee with the hon. minister, I am aware of her concern and her dedication. However, I also know that she is being hamstrung by her cabinet colleagues when it comes to fighting for issues that are of social concern. I hope that the ministry does take a more firm stand in dealing with the Treasury Board and does come down with sufficient funds to alleviate a lot of the problems that we've mentioned here this evening.

The first problem that I want to bring to the minister's attention, Mr. Chairman, is that of housing. Housing is an essential to the betterment of our society. I think that the provision of housing, whether it be the actual construction of the facility or the providing of financial assistance to the individual, is of paramount concern. I'm going to refer specifically to the senior citizens. You have, Mr. Chairman, through the policies of this ministry, created two classes of senior citizen. You have the one senior citizen who, by means of either fortune or some other way, is able to obtain geared-to-income housing in one of the Ontario Housing projects. Then you have the other senior citizen who is not that fortunate or who, because of restrictions in a community as a result of which sufficient senior citizen accommodation has not been constructed, has to go into the commercial market to obtain senior citizen's housing.

The individual who does live in geared-to-income housing, I understand, is subsidized to the extent of approximately $75 a month. That individual now, as a result of that, has a $75 a month greater income than does the individual who lives and rents in the commercial market. The answer to the problem, Mr. Chairman, is that this ministry should study a rent supplement programme and seriously consider a rent supplement programme, so that all senior citizens, regardless as to whether they live in senior citizen geared-to-income housing or live in the commercial market, are on the same base, that is, that both have exactly the same amount of income on which to survive.

I am telling you, Mr. Chairman, that there should be a supplement provided to senior

citizens who have the old age security and the guaranteed income supplement plus the GAINS programme. Both senior citizens, one living in geared-to-income housing and the other living in the commercial market, should be on the same basis. There should be no differential between income for the two. One gets the subsidy as a result of living in geared-to-income housing. The other is deprived of that subsidy and, as a result, has to use, quite often, the funds that he may have for general living to pay for the rent charges in the commercial market.

Mr. Chairman, the ministry should study a vastly expanded supplement programme for senior citizens who cannot obtain geared-to-income housing in the government-subsidized programme. I know, Mr. Chairman, you may say that is the responsibility of the Ministry of Housing, as we are dealing with social development. Social development policy has to be developed in this ministry to overcome that type of difficulty. All senior citizens, if they are receiving only old age security and supplement and the GAINS programme and have no other income, should be treated alike.

Another problem about which I would like the ministry to look into the development of policy, is when it comes to those who have retired from employment—be it in the civil service, municipal, provincial and/or any other type of civil service — especially the retiree who has retired several years ago and is living on a fixed retirement income. There is no way where that senior citizen or that retiree is able to bargain for a better retirement income.

When you look at the auto worker and see what the Ford, Chrysler and General Motors auto workers unions have done for their retirees, I think they have set an idea that should, and in my estimation will, expand to all other segments of society. When Ford, Chrysler or General Motors workers bargain for wage increases they bargain at the same time for pension increases for their retirees, regardless of how long ago they did retire.

The civil servant, the policemen, the firemen and even probably the provincial civil servants, plus many in other categories, not civil servants, have no voice, no one speaking for them when it comes to bettering their pension benefits. I think the ministry has to look at some type of policy where this type of problem can be overcome.

As far as municipal civil servants are concerned I understand amendments to the Municipal Act, amendments to the OMERS Act and amendments to the Fire and Police Act could enable municipal civil servants some bargaining rights so that they could have their union fight for better pension benefits and increased pension benefits as inflation continues and eats away at their pensions. In some instances, if the individual has been pensioned 10 or 15 years ago and still manages to survive, he is practically living at a poverty level.

Mr. Chairman, I wanted also to bring to the attention of the ministry the problems that are associated with the drug programme. Other members have made mention of this earlier in the comments. I wanted to bring to the attention of the ministry a press release concerning the Ontario drug benefit programme, received in my office on Oct. 11. Under "No Substitute Prescription" the following is mentioned:

> If a physician determines that one drug in the formulary listing should be prescribed, rather than the less expensive one, he may identify his choice by writing "no substitution" on the prescription. In this case, the drug benefit will pay the higher-priced drug, rather than the interchangeable lower-priced item.

That is all well and good, but if the item is not on the formulary, then the individual is in extreme difficulty. The drug benefit programme also allows the physician, if he feels that his patient's needs cannot be met by prescribing a drug on the formulary, to make a special request to the minister for an exemption to permit payment for the drug he wishes to prescribe.

I don't see any need for the writing of the letter on the part of the doctor. Surely in municipalities where you have Ministry of Community and Social Services officers, it should be sufficient for one of the employees of the ministry to go and visit the patient, get a statement or have that patient sign some statement and allow that individual to get the drug immediately, instead of waiting for it to go through the whole bureaucracy here in Toronto, and then eventually funnel back to the individual. By the time the individual would get approval for the use of the drug not on the formulary, that individual may not survive.

I bring this to the attention of the ministry becase of a problem that I had with an individual in my riding. It hurts me very much when I hear that a man who had two heart attacks and two strokes, has to beg to get some of his prescription drugs paid for. I have approached the local office of the Com-

munity and Social Services, and they say, "Well, this is a government programme. We can't do anything."

That person has to have the doctor write to Toronto and get the approval before the drugs prescribed by the doctor are going to be paid for. I don't think the writing of the letter is necessary in municipalities where you have an office of Community and Social Services or even an office of the Ministry of Health. Let's get rid of some of the red tape. Let's make it easier for those whose days, quite often, are very numbered to get the prescription drugs that are necessary, even if they are not in the formulary. If the doctor prescribes it, surely we should take the doctor's word for it and accept it and provide the drugs needed by the individual.

The other item that I want to make mention of is concerning the GAINS programme. In a married couple where the one individual is on a disability programme and, in some instance, completely disabled, where the wife cannot go out to employment but has to spend 24 hours of the day taking care of her mate, there is no reason why both shouldn't qualify for the full GAINS programme. Why shouldn't the wife be getting the same amount as her husband is getting, that is, the $216.67 a month, or a little more if it has been increased as of Oct. 1?

They should both be getting the complete GAINS programme. You should not discriminate against the wife. She would just love to be able to go into the work force and try to supplement income, but she can't. She has to take care of her husband 24 hours a day. This is the same individual I make mention of who is having difficulty getting drugs. It is heartless, it is cruel, it is inane on the part of government to put a person in that type of a circumstance. There can be and there should be a resolution to a problem like that, and it is very simple if you give authority to the Ministry of Community and Social Services—that is, to the individuals in the various communities to use their own discretion in a situation such as I make mention of.

I would be remiss if I didn't likewise bring to the attention of the ministry that back in my own community we are also very, very much concerned about the daycare programme. We are concerned from the fact that the ratios are going to be increased and we are also concerned about the qualifications of the individuals involved in providing the services.

As a former athletic coach, I know that the quality depends on numbers. As one who has coached an exotic type of sport, one that requires a tremendous amount of skill on the part of an individual—it isn't a team sport—I know that the individuals partaking in the sport get better coaching when you have fewer numbers. If you are going to increase the number of individuals that the person providing the daycare services has to take care of, you are not going to provide quality day care.

I will try to complete my remarks within the next five minutes, hoping that I can bring to the attention of the ministry the concern expressed by individuals and organizations back in my own community. Immediately after the ministry made the statement on June 4, the president of the Association for Early Childhood Education in Windsor and Essex counties sent the following telegram to the ministry: "Strongly opposed to Margaret Birch's statement on day care. Don't jeopardize the well-being of Ontario's children." That was signed by Donna Morrow.

That's just one of a few that I am going to read. I am not going to read all that have been received because others have put the case strongly enough. Here is one from Pre-School Teachers, City of Windsor Day Nursery:

WE WISH TO MAKE KNOWN TO YOU OUR CONCERN REGARDING THAT PORTION OF YOUR STATEMENT TO THE LEGISLATURE THAT DEALS WITH CHILD-TO-STAFF RATIO. SHOULD REVISED REGULATIONS PERMIT A 12-TO-1 RATIO FOR CHILDREN TWO TO FOUR YEARS OF AGE IN A DAYCARE PROGRAMME AND SHOULD DAYCARE HOURS EXTEND FROM 7:30 A.M. TO 5:30 P.M., IT IS CONCEIVABLE THAT A CENTRE COULD HAVE 36 CHILDREN IN ATTENDANCE WITH ONLY ONE TEACHER FOR TWO HOURS OF EVERY DAY. FOR EXAMPLE, ONE STAFF 7:30 TO 3:30; ONE STAFF 8:30 TO 4:30; ONE STAFF 9:30 TO 5:30. THAT PERIOD FROM 7:30 TO 8:30 AND FROM 4:30 TO 5:30 COULD HAVE 36 CHILDREN WITH ONLY ONE STAFF MEMBER. AT LUNCHTIME, IF STAFF STAGGERED, HALF-HOUR LUNCH PERIODS COULD RESULT IN ONE STAFF MEMBER FOR EVERY 18 CHILDREN FOR 1½ HOURS. PLEASE RECONSIDER.

Mr. Chairman, Maureen Mooney, back in my own community, likewise made a very emotional appeal for reconsideration of child/teacher ratios as well as raising qualification standards rather than lowering them. The City of Sarnia and District Association for Early Childhood Education voted unanimously to oppose the minister's recommendations. This letter, Mr. Chairman, I would like to read into the record because I think it sums up the whole approach to daycare centres that the ministry has taken and probably does give some of the answers. This is

from Mrs. David S. Cassidy to the Windsor Star back in September of this year. It is headlined "Birch Report Fails to Recognize Needs":

Sir:

I want to express my deep concern and dissatisfaction with the policy statement by Mrs. Margaret Birch regarding changes in daycare as reported in the Windsor Star Aug. 31.

Most of us, I believe, are aware of the great strides that have been made in recent times in the area of preschool education and day-nursery care. These advances are the result of in-depth research into the emotional, social and intellectual growth and development of children from birth to five years.

The implementation of her recommendations, I submit, would most certainly destroy the tremendous efforts of the many who have dedicated themselves to early childhood education and would thrust the concept of day nurseries back into the stone age.

It is eminently clear that much of what Mrs. Birch suggests runs counter to what is in the best interests of the child. Unhappily, as is all too often the case in education, persons in a position of policy formulation are out of tune with the realities of modern educational process. Hence, the children suffer a loss which may never be restored and the community ultimately loses its greatest natural resource.

The major thrust of our proposals focus on two key areas: one, larger child/staff ratio; two, easing of staff qualifications. It requires little pedagogical skill to recognize the immediate negative effect on the child when the pupil/teacher ratio is increased in the very critical stage in the development of a child when it is vital to have an adult enter into a loving relationship with him. Mrs. Birch would reduce the concept of daycare to nothing more than a second-rate custodial service.

The recommendations to ease staff qualifications ought to be particularly distressing to parents. The very suggestions reflect a failure to recognize that even tiny tots are unique individuals with concerns that must be dealt with and resolved in a skilful way. In addition, it is at the preschool level where the early identification of learning disabilities must be made. The need for well-trained and highly specialized persons is quite evident.

It is my view that Mrs. Birch has made some very serious judgemental errors in her proposals. It is my hope that the Minister of Community and Social Services, Mr. Brunelle, seriously consider the implementations of her proposals. It is my prayer that carefully and uniquely formulated preschool programmes consistent with good mental health practices may be soon accessible to all children in the Province of Ontario.

Mr. Chairman, as I have made mention, I intended to complete at quarter after, I am one minute overtime. I have other comments that I could make, but for the sake of expediency I will complete my remarks here. Thank you.

Mr. Chairman: Any other questions or comments? The member for Thunder Bay.

Mr. Stokes: Yes, I think I would be remiss if I didn't ask the minister for a few moments to deal with the problem of native people in the Province of Ontario. I am not only speaking of the social problems that she was made aware of when she took her social development policy field to the northwestern part of the province. According to the news reports, she said to the media that she was appalled that conditions had degenerated to the state in which she found them and she was coming back to Toronto to come up with solutions and answers to the problems that she found.

Through the Indian community branch of the Ministry of Community and Social Services, she has had many of the economic problems brought to her attention, which can only be resolved in terms of this government's action through that Indian community secretariat. As I said when I stood up, I think I would be remiss if I didn't provide the minister with an opportunity to say at least a few brief words about how she sees the various ministries within her policy field approaching some of those problems and assisting our first citizens to help themselves.

I would like at least a brief comment from the minister on those two very important problems.

Mr. Chairman: The member for Victoria-Haliburton.

Mr. R. G. Hodgson (Victoria-Haliburton): Mr. Chairman, I would like to ask the minister to comment upon the situation with regard to the social and family services in day care because the staff, which are very dedicated in my opinion, have been below

complement. There is need for more. I might suggest to the minister where she might pick up some people that I think could serve in this field. They would have to be out of the regional offices of education, which I believe could well devote some staff to place attention in this field.

It seems to me that with an expanding need, there is need for additional people in the field to get into the business of training staff on the right direction. There also is a possibility that we should have one or two community colleges doing more courses for training of daycare teachers.

Mr. Chairman: The hon. minister.

Hon. Mrs. Birch: Well, Mr. Chairman, I have a great number of questions here to answer, and if I may I will begin with the first one Mrs. Campbell directed to me, when she questioned the Status of Women conference that was held this weekend, and made some comments about the questionnaire and who in the secretariat had devised that particular questionnaire. I would like to assure the member that the whole conference was developed by the Status of Women Council. The secretariat had no connection with it other than providing the provision for financing it. It was entirely in the hands of the Status of Women Council.

There have been a lot of questions this evening directed to the daycare proposal. So if I may I shall take the time that I have to try to answer some of those questions. The daycare proposal grew out of a concern that this government has for the thousands of children who are not receiving day care, or who are receiving care, in many instances, in questionable homes. Many parents are denied the right to go out and earn a living because there is no daycare facility available in their community.

It's all well and good to speak about the ideal—I think we would all like to have that ideal—but it isn't practical. It isn't reasonable to expect that we can provide that. So, after a very careful study this proposal was announced in June, with the hope that we would be able to provide more day care across this province.

We've had a very positive response. We've had over 200 applications.

Mr. Lewis: That's for your capital funding.

Hon. Mrs. Birch: And for the operation of the daycare centres.

Mr. Lewis: You've had no positive response to your ratios.

Hon. Mrs. Birch: Oh, yes. We have had many.

Mr. Lewis: Well, show us.

Mr. Chairman: Order, please. Allow the hon. minister to continue.

Hon. Mrs. Birch: Now, I recognize that there are two areas of concern, and I would like to, if I can, just speak to the ratios and to speak to the qualifications.

Unfortunately, I think there's been a great deal of misleading information about the whole proposal. It's permissive. We have not said to any daycare centre that it must adhere to these minimum ratios. We have not said that it cannot have a kitchen. We have made it possible for those daycare centres who perhaps feel that a kitchen is not necessary to provide catering services. Surely in this day and age there are excellent catering services. We have maintained that the nutritional standards must be observed.

In the area of ratios, as I've pointed out, they are minimum. But we all know the complexities of ratios. We know the abuse that many have given the ratios. We know that in many instances daycare-centre operators have used the cook, the cleaner and the secretary as part of the ratio.

Mr. Martel: Imagine what they'll use now.

Mr. Lewis: You've made it even worse, then.

Hon. Mrs. Birch: I don't believe that that should be permitted. I think the ratio should be determined from the staff looking after those children.

Again, as we all know, most daycare centres have an intermix of age groups within the centre. So, based on the minimum regulations, that would have to be taken into consideration. Also the hours that the centre was in operation would have a bearing on the ratios. The intermix of perhaps handicapped children—and I might add, the hon. member for Sudbury East mentioned the concerns of those in the mentally retarded association and the crippled children about the new ratios. The new ratios do not affect those children at all. There's no changes in the ratios for handicapped children. But in determining the ratios for a particular daycare centre with some of the problems that I've outlined, it almost would

appear that they would have to be assessed on an individual basis to come up with the proper ratios.

Mr. Lewis: Then why set out your regulations?

Hon. Mrs. Birch: Because we have to have a minimum base.

Mr. Lewis: Your minimum becomes the prevailing factor.

Hon. Mrs. Birch: But again it's permissive. We have not said that they must adhere to these regulations.

Mr. Martel: It is a red herring.

Mr. Lewis: But everybody will. The minimum regulations that come from government, permissive or not, become the regulations.

Hon. Mrs. Birch: Well, we don't feel that they will. There will be many people who are prepared to pay the higher cost of a higher ratio and we're quite prepared to say, if the parents in that particular area are prepared to pay for it, and if the municipality wants to pay for it, then that's fine.

Mrs. Campbell: Aha, so you're not funding the municipalities that want a decent standard!

Hon. Mrs. Birch: Oh, yes, we are funding the municipalities.

Mrs. Campbell: To the fullest extent of the standards?

Hon. Mrs. Birch: To the extent of our standards they will be funded, but it will be up to the municipality. So we feel that we are not deteriorating. This government feels that we are providing very badly needed daycare facilities across this province to handicapped children, children of low-income families and many of the native children.

Mr. Martel: No, you are not.

Mr. Lewis: Well, answer some of the other questions.

Hon. Mrs. Birch: I would like to get to the advisory council and I know some comments the leader of the NDP has made in regard to my involvement with the advisory council.

Mr. Lewis: That was Anne Barstow's comments.

Hon. Mrs. Birch: The advisory council was named by the Minister of Community and Social Services. It reports to him and I am sure that the Leader of the Opposition (Mr. R. F. Nixon) would be the first one to complain if he felt that I was directing the advisory committee.

Mr. Lewis: Oh, no, he wouldn't. He would want you to meet with them.

Hon. Mrs. Birch: I met with the chairman of the advisory committee soon after she was named. We had a conversation of an hour and a half. We talked in generalities about day care and I feel that that is the extent of my involvement with the advisory council. They have been given very broad terms of reference. They are at liberty to make any recommendations that they so desire. They have the proposal in front of them and we are just waiting for their report.

Mr. Lewis: That's interesting. I am glad that's on Hansard.

Mr. Chairman: Order, please. The minister has the floor.

Hon. Mrs. Birch: The member for Sudbury East has asked repeatedly about the people who were involved in making up the task force report which was brought to the policy field. Now, I am not going to name the individuals but I will name the offices they represent.

Mr. Lewis: We have the names of the individuals.

Hon. Mrs. Birch: Chief education officer, planning research branch, Ministry of Education; professor from York University—

Mr. Lewis: That's Bonham, eh?

Hon. Mrs. Birch: —a deputy minister, Ministry of Community and Social Services.

Mr. Lewis: That's McLellan.

Hon. Mrs. Birch: A second deputy minister of the Ministry of Community and Social Services; the Deputy Minister of Health, a graduate of philosophy, politics and economics; executive director of social services division, Ministry of Community and Social Services; another person from the Ministry of Community and Social Services; Deputy Minister of Colleges and Universities—

Mr. Lewis: Why are you hiding them? What have they got to fear?

Hon. Mrs. Birch: I don't think they have anything to fear.

Mr. Lewis: They are civil servants.

Hon. Mrs. Birch: Is it all right to read the names?

Mr. Lewis: What do you mean, is it all right? You are the minister. Who is running this bloody ministry?

Hon. Mrs. Birch: All right. Mr. Glen Bonham, the Ministry of Education; Dr. John Butterick, York University; Miss D. Crittenden; Mr. Tom Eberlee; Mr. Stanley Martin; Mr. Steve McIntyre; Mr. Gordon McLellan; Mrs. Judy Palmer; Dr. Gordon Parr; Mr. George Podrebarac; Dr. Naomi Rae-Grant; Mr. Robert Sirman; Miss Elsie Stapleford; Dr. E. E. Stewart; Mr. William Wolfson and Dr. D. T. Wright.

Mr. Martel: She said she wasn't on the committee.

Mr. Lewis: That committee meets on day care?

Hon. Mrs. Birch: This was the task force force that put together the report for the—

Mr. Lewis: Well, that is very interesting. Dr. Naomi Rae-Grant was on that task force?

Hon. Mrs. Birch: That's right.

Mr. Lewis: Elsie Stapleford in the estimates made it quite clear she wasn't on that committee.

Hon. Mrs. Birch: Well, her name is on the list.

Mr. Lewis: Yes, her name is on the list. So was Naomi Rae-Grant's.

Hon. Mrs. Birch: And they were both on the task force.

Mr. Lewis: How about tabling this magnificent report?

Hon. Mrs. Birch: I was just coming to that.

Mr. Chairman: The minister has about two minutes.

Hon. Mrs. Birch: I would like to make a quote from Gordon Robertson. I am sure you are aware of who he is. He's secretary to the privy council and he's speaking on the confidentiality of a report to cabinet. If I may, I would like to read this into the record.

It is obvious that what a minister may have recommended in a confidential cabinet document must be as fully protected as his comments in the council chamber, for it may or may not be what emerged as a decision. To disclose the document would be to disclose a personal view and thus pierce the veil of privacy on which collective responsibility depends.

In short, the collective executive that is the heart of our parliamentary system must have secrecy. It cannot work without it and that secrecy is not just a secrecy of oral discussion around the table. It includes the secrecy of the documents that provide much of the argument and basis for the discussion.

To suggest, as some have, the documents can become public, once a decision has been taken, is to fail to appreciate their nature. They must list alternatives, their purpose, and the relevance of their confidentiality to the central principle of the collective executive and of the joint responsibility.

[To go on:] Task forces are informal, administrative aids to the executive and, unlike royal commissions, are not required by statute or convention to publish their reports or to make accessible the research studies on which their recommendations are based.

Mr. Chairman: Shall vote 240 carry?

Mr. Lewis: No, it is not carried. I would like to ask the minister, in view of that last statement, it is a wonderful bureaucratic piece of verbiage.

Hon. Mr. Winkler moves the committee rise and report.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report progress and asks for leave to sit again.

Report agreed to.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Mr. Speaker, before I move the adjournment of the House, I would like to say that now we will deal with the estimates of the Ministry of Industry and Tourism. On Wednesday we will deal with the estimates of the Ministry of Health, on Thursday with the same ministry, and on Friday, in accordance with my commit-

ment to the Opposition, we will be on the budget debate.

Mr. R. S. Smith (Nipissing): Mr. Speaker, may I point out to the House leader that we haven't completed these estimates yet. When will these estimates be completed?

Hon. Mr. Winkler: I think, Mr. Speaker, I can only refer the hon. member to his House leader and he can make that arrangement or understand what has taken place.

Mr. R. S. Smith: The vote hasn't carried yet.

Hon. Mr. Winkler: I am well aware of that, Mr. Speaker.

Mr. S. Lewis (Scarborough West): The minister must have had a nice dinner.

Hon. Mr. Winkler: It wasn't bad. I intend to go back.

Hon. Mr. Winkler moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10:30 o'clock, p.m.

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Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Ninth Legislature

Tuesday, October 29, 1974

Afternoon Session

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

THE QUEEN'S PRINTER
PARLIAMENT BUILDINGS, TORONTO
1974

10

Price per session, $10.00. Address, Clerk of the House, Parliament Bldgs., Toronto

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, OCTOBER 29, 1974

The House met at 2 o'clock, p.m.

Prayers.

Mr. Speaker: The member for Etobicoke.

Mr. L. A. Braithwaite (Etobicoke): Mr. Speaker, I would like to introduce to the House 130 students from Smithfield Middle Public School in Rexdale who are here with their teachers. I would like the House to join with me in welcoming these young people here today.

Mr. Speaker: The member for Thunder Bay.

Mr. J. E. Stokes (Thunder Bay): Mr. Speaker, I would like to call the House's attention to the fact that there are 18 students from Caramat Public School here with a group of students from Glen Ames Public School in the east end of Toronto. They are on a sort of student exchange, enjoying themselves and the Ontario Legislature. I wish members would join me in welcoming them here today.

Mr. Speaker: Statements by the ministry.

The hon. Minister of Transportation and Communications.

CONFERENCE OF COMMUNICATIONS MINISTERS

Hon. J. R. Rhodes (Minister of Transportation and Communications): Mr. Speaker; I wish to table, for the information of the House, recent correspondence between the provincial and federal governments related to continuing federal-provincial discussions in the field of communications. The hon. Gérard Pelletier, federal Minister of Communications, tabled this correspondence in the House of Commons last Friday.

The letters before the members are concerned with preparations for a second federal-provincial conference of ministers responsible for communications. The first federal-provincial conference of communications ministers was held last November. It concluded with a decision to meet within six months to continue discussions.

For a number of reasons, the second conference has not been arranged as quickly as had been anticipated. Since November, the provincial ministers have met in Victoria in May and in Toronto at the beginning of October in order to consider Mr. Pelletier's proposals and further develop provincial views in preparation for a second federal-provincial conference. I am pleased to report, Mr. Speaker, that the federal government now appears to have reacquired a sense of urgency to meet with the provinces to discuss the important problems regarding policy issues and governmental involvement in this field of communications.

The publication of the federal government's green paper on communications more than 18 months ago was heralded as an important step toward a major overhaul of the regulatory and policy structure affecting the field of communications in Canada. The provinces responded enthusiastically to the obvious need for such a restructuring. They proceeded to develop their own views on what should be done in the area of the regulatory and policy environment, particularly with regard to proposals for a more orderly and rational sharing of governmental responsibilities in this important area. The jointly held views of the provinces are set out in the correspondence I am tabling today.

At the first ever federal-provincial conference last November, the provincial and federal governments quite naturally limited themselves to outlining their general views on the role of government and on specific problems. It was agreed that serious discussion of all matters in the field, including questions of jurisdiction, would begin with the second conference. I am hopeful that this original intention will still be possible and that negotiations will take place on the full range of matters of interest to both the federal government and the provinces.

At the November conference the government of Ontario set out its objectives for the discussion process with the federal government. Our objectives remain the same, and I would like to reiterate them: a commitment to negotiate the re-allocation of responsibilities between the federal and provincial governments; consideration of mechanisms to per-

mit continuing ministerial assessment and co-ordination of policy issues; mechanisms which will permit full provincial participation in the federal policy-making and regulatory process in the period leading up to and following this reallocation; full discussion of federal and provincial policy objectives and of possible common objectives; a wide-ranging review of communications policies in each of the component sectors of the communications field, including, for example, cable distribution, broadcasting, telephony, common carrier activities and computer communications; and a full exploration of better and more constructive regulatory concepts and the establishment of more effective regulatory structures.

In the interim and after several years with a telecommission, several task forces and green papers, the federal government has decided to amalgamate the telecommunications committee of the Canadian Transport Commission and the Canadian Radio-Television Commission in Bill C—5 introduced in the House of Commons earlier this month. According to the federal government, this is a housekeeping measure. To achieve real progress beyond this housekeeping measure will require the full co-operation and constructive effort of all 11 governments especially where, as Mr. Pelletier so aptly puts it, "such discussions can be channelled into action of benefit to all Canadians."

Mr. Speaker, I believe it will require several meetings of the provincial ministers and federal minister to fully come to grips with the communications issues facing governments in the 1970s and 1980s. An early second conference will be an important step in such a process.

In his latest letter of Oct. 24, Mr. Pelletier has set out a number of issues which the federal government wants to discuss. I hope these are not rigid conditions for a second meeting. I am convinced that a successful meeting must include matters of concern to both the federal and provincial governments. It cannot be limited merely to issues the federal government views as its own priorities. Here I include a full exploration of the question of jurisdiction and appropriate governmental responsibilities. Rigid limitations on the issues to be discussed will not produce an atmosphere that is conducive to producing the constructive and quick results we all hope will be achieved.

I and my colleagues fully endorsed the statement in the Sept. 30 Throne Speech that the federal government would hold:

> . . . a number of conferences with the provinces during the coming year . . . to improve the co-ordination of federal policies and programmes that are of interest to the provinces and to make consultation with them even more effective. [And that] Few actions can be taken by one level of government without affecting or taking into account the policies and programmes of another in many areas of government activities.

In the spirit of these extracts from the federal Throne Speech, I look forward to full, frank and co-operative discussions and negotiations with the federal government in the months ahead.

Mr. Pelletier has asked for a response to his latest letter prior to detailed preparations beginning for a second federal-provincial conference on communications. As chairman of the last provincial ministers' conference, I will be consulting with my provincial colleagues in order to reply as quickly as possible. I will report back to the House on our progress.

Mr. Speaker: The Minister of Natural Resources. Order please. There seems to be too much noise in the chamber. It is very difficult to hear. The Minister of Natural Resources.

STUDIES ON DEATHS IN URANIUM MINES

Hon. L. Bernier (Minister of Natural Resources): Mr. Speaker, I would like to respond to a question asked yesterday of the Premier (Mr. Davis) by the leader of the New Democratic Party.

Mr. I. Deans (Wentworth): I guess so.

Hon. Mr. Bernier: Mr. Speaker, the question was:

> When the ministers of his government have in their possession, first, a study done in 1973 tabulating the deaths from lung cancer up until 1970, and now a study in 1974 released in Europe, but never here, tabulating the deaths from lung cancer up to the end of 1972, doesn't he think that something more should be done than playing about with a royal commission and not allowing the public to view the kind of documentation which his government has had and apparently never did anything about?

Mr. Speaker, the reports referred to are, first, "A Study of Silicosis in Hardrock Miners in Ontario," prepared for my ministry by Dr. John F. Paterson, of the Ministry of Health, with the co-operation—

Mr. S. Lewis (Scarborough West): I never suggested that report for a moment. That is not the report.

Hon. Mr. Bernier: Just wait until I am finished.

Mr. Lewis: That is not the report. I didn't refer to that report for a second.

Hon. Mr. Bernier: —of the Workmen's Compensation Board, industry and the United Steelworkers of America.

Mr. Lewis: I didn't refer to that report for a second. I didn't. On a point of privilege, Mr. Speaker, the minister is—

Mr. Speaker: Order please.

Mr. Lewis: He can make his ministerial statement, but I want it understood that I never even implied that report in my question yesterday.

Mr. E. M. Havrot (Timiskaming): What did the member imply?

Hon. Mr. Bernier: I am referring to both reports, Mr. Speaker. And the other report—

Mr. Lewis: Yes, and I will come to that in question period today.

Mr. Speaker: Let the minister finish.

Hon. Mr. Bernier: The second report, entitled "The Causes of Death in Ontario Uranium Miners," was prepared by Dr. J. Muller, also of the Ministry of Health, and Mr. W. C. Wheeler, chief statistician of the Workmen's Compensation Board.

For the information of the hon. member, the Paterson report was released to the public on July 12, 1974—

Mr. Lewis: I know that.

Hon. Mr. Bernier: —a few weeks after being received by my ministry, and the Muller-Wheeler report was released on Sept. 6, 1974, a few days after its receipt.

In the case of both reports, normal press distribution was made both here at Queen's Park and to other newspapers, radio and television stations in the province.

Mr. J. A. Renwick (Riverdale): There was no distribution of that report to our caucus.

Hon. Mr. Bernier: In addition—and I had hoped as a courtesy to the member—a dozen copies of the reports were delivered to his office. In the case of the Paterson report, delivery was made by our internal mail delivery service, but the Muller-Wheeler report was delivered by hand by a member of my staff.

The Muller-Wheeler report was used as a discussion paper at a symposium held under the auspices of the International Labour Organization on radiation protection in mining and milling of uranium and thorium, held in France from Sept. 9 to 12. Its release on Sept. 6 in Toronto was the result of my personal concern that its contents be known to the public prior to its delivery in Europe.

Mr. Lewis: We will discuss the minister's personal concern in the question period.

Hon. Mr. Bernier: Because of the government's concern over the matters discussed in these two reports, Mr. Speaker, and in co-operation with the Minister of Health (Mr. Miller), I requested the Ministry of Health to undertake a further study of dust and radiation conditions at the Elliot Lake mines prior to the receipt of the two reports just mentioned.

Mr. E. W. Martel (Sudbury East): They will study it to death.

Mr. F. Laughren (Nickel Belt): Nero fiddled too.

Mr. Lewis: The minister still hasn't answered the basic question, but I will come to it in the question period.

Mr. Speaker: Order please. Order.

Hon. Mr. Bernier: Mr. Speaker, the member for Sudbury East didn't even know that his leader had the reports.

Mr. Lewis: Neither did I. That's two of us.

Hon. Mr. Bernier: Then he had better check his office. If he doesn't know what is going on in the office, it's not our fault.

Mr. Speaker: Order please. Order.

Mr. Lewis: I certainly will. However, we will deal with the real report in question period. We will come to that.

Mr. Speaker: Order please. These are ministerial statements.

Hon. Mr. Bernier: Mr. Speaker, it was also clearly stipulated that this latter study would be conducted with the active co-operation of the union, and every place in these mines where men work has been subjected to an intensive investigation, which is now completed.

I understand that this report is now being drafted and I expect to receive it within the next few weeks. It will, of course, be available to the public, to mine workers, to the union and to the government. It will also be available, of course, to all members of the House.

I'm sure that the hon. member did not intend a cynical reference to the work now being undertaken by Prof. James Ham under the Public Inquiries Act to further investigate working conditions in mines in Ontario, and I'm sure that he regrets his ill-advised phrasing of that part of his question.

Mr. Lewis: No. It is nothing compared to what I'm going to ask the minister today.

Mr. Speaker: Order, please. Further statements by the ministry?

Interjections by hon. members.

Mr. Speaker: Order, please.

Hon. Mr. Bernier: The member should get his facts straight.

Mr. Lewis: We will wait for question period.

Mr. Renwick: Why doesn't the minister resign before question period?

Mr. Lewis: He should give up his seat. He has no right to hold public office—none at all.

Mr. Speaker: Order, please.

Oral questions.

RELEASE OF GERALD HUBBARD

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, I'd like to ask the Minister without Portfolio, the hon. member for Hamilton West, if he can recall signing on behalf of the cabinet in August, 1973, the order releasing one Gerald Hubbard from the Penetanguishene Psychiatric Hospital, the same Mr. Hubbard who went to the community of Brantford and four months later committed murder?

Hon. J. McNie (Minister without Portfolio): The answer, Mr. Speaker, is yes.

Mr. R. F. Nixon: I wonder if the minister could tell the House on what basis he assured himself that the release was going to be adequately supervised, so that the citizens in the community in which Mr. Hubbard went to live would not be unduly jeopardized, and that the supervision for Mr. Hubbard was such that he might have an opportunity not to succumb to problems that he had experienced previously—serious problems indeed—but in fact to fit back into the community?

Hon. Mr. McNie: Mr. Speaker, the hon. Leader of the Opposition will recognize that this is not a very easy area to deal with.

The recommendation that comes to a minister—and I was acting in the absence of the Minister of Health (Mr. Potter) at that time—comes from the board of review. That board in the past has displayed, I think, a great deal of integrity and common sense in the recommendations it has forwarded to us. We accept their recommendations and deal with them at cabinet as being appropriate.

Unfortunately, some of those who are released have proved to be not as ready for release as others, but the large majority—and I think we have to bear this in mind—by far the large majority of those who are released have proved to be worthy of release. It would be unfortunate if the process were prejudiced by the odd one which turns out as unfortunately as this particular case did.

Mr. R. F. Nixon: A supplementary: Due to the serious implications in this odd case, would the minister explain to the House whether a minister on duty simply rubber stamps, by his signature, the approval of the government, since the individual and others like him are in the custody of the Lieutenant Governor at pleasure, or is there some procedure whereby there is an independent assessment so that the authority of the cabinet is something other than just a rubber stamp?

Hon. Mr. McNie: Mr. Speaker, before it is dealt with at cabinet, there is consideration given to the item that is dealt with at cabinet.

Mr. Lewis: A supplementary, if I may, Mr. Speaker.

Mr. Speaker: The hon. member for Scarborough West.

Mr. Lewis: I concur in what the minister said. He said it well. Given that the psychiatric material upon which cabinet bases the decision is tendered in good faith—and I have no doubt about that—does the minister not think, however, that in cases as clearly documented as this one, a special effort should be made to follow and support or supervise such a person in the community, however that is done, when there is clear evidence in advance that there is some element of risk?

Hon. Mr. McNie: The answer to that, Mr. Speaker, is yes.

Mr. Lewis: That's what was lacking.

Mr. Speaker: A final supplementary. The hon. member for Downsview.

Mr. V. M. Singer (Downsview): By way of supplementary, could the minister explain why the police were not advised so that some kind of checking could be done on the released person? And why were the conditions that apparently were attached to the release never really brought to the attention of anyone who was in a power to check up and make sure that they were being observed?

Mr. Lewis: Is the member sure that the police are the right people?

Hon. Mr. McNie: Mr. Speaker, I'm not aware that that's so. I have asked the minister who is responsible for that particular ministry to be prepared to answer that question.

Mr. Singer: Well, by way of further supplementary, would it not have been logical, when the order for the release was signed, that automatically the responsible minister who signed it, who I presume was the member for Hamilton West, would have sent forward a notice to the police force in the area where the man was going.

Mr. Lewis: No, that is not logical.

Mr. D. C. MacDonald (York South): In fact it is the wrong supervision.

Mr. Singer: I want an answer. I didn't ask the member for Scarborough West; I asked the minister.

Mr. Speaker: Does the Leader of the Opposition have further questions?

An hon. member: Supplementary?

Mr. Speaker: No, that was the last supplementary.

CSAO NEGOTIATIONS

Mr. R. F. Nixon: Mr. Speaker, I would like to ask the Chairman of the Management Board if he has had an opportunity to read the rebuttal from the Civil Service Association of Ontario which was elicited by his statement some days ago, on, let's say, the government's view or the view of the Chairman of Management Board of the present level of negotiations.

Whether or not he has read the rebuttal, which is a strong rebuttal with an air of acrimony associated with it which bodes ill for the continued negotiations in the future, can he announce to the House what specific plans are made to negotiate in good faith with the representatives of the CSAO, to sit down with them either in private or perhaps even in public, so that the facts associated with these matters can be worked out, rather than face the kind of confrontation that lies just a few weeks ahead?

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Mr. Speaker, the short answer to that question is yes. The balance of the answer is that negotiations are presently being carried out. Let me assure the hon. member that the government always bargains in good faith.

Mr. R. F. Nixon: A supplementary: Would the minister not agree that his statement and now this response, simply raise the situation to a new level of—I suppose acrimony is the best word to use; urgency, perhaps—and that he has not contributed to any amicable conditions whereby bargaining in good faith, for which the minister says he is responsible, can be carried out? Is he not concerned, as are many of us, that the confrontation that has been put forward quite specifically for Jan. 1 seems to be looming even larger and more important than it was before he made his gratuitous statement?

Hon. Mr. Winkler: Mr. Speaker, I do not accept the import of the words of the Leader of the Opposition. I would say that my statement was meant to be very factual and informative, not acrimonious in any way. That is the way it was and I do not intend to enter into a debate lest the negotiations be put in a position of jeopardy.

Mr. Lewis: Mr. Speaker, a supplementary, if I may. Does the minister not recognize that to cool this situation out there is required a certain number of amendments to the Crown Employees Collective Bargaining Act? May I ask the minister when he intends to bring in amendments to that Act, in the hope that they can be discussed and debated in the Legislature before the confrontation occurs?

Hon. Mr. Winkler: The whole matter is under consideration, Mr. Speaker, and when government policy is ready I will bring it to the House.

Mr. Speaker: Are there further questions by the Leader of the Opposition?

LAND ASSEMBLY IN EDWARDSBURGH TOWNSHIP

Mr. R. F. Nixon: I would like to ask the Minister of Housing if he can now give the House any further information on the assembly of about 10,000 acres of land in Edwardsburgh township. I believe it is in his constituency, or close to it. We have been reading about this, and we have heard statements from the minister and the Treasurer (Mr. White) and some others that they know of no use for the specific proposals that are evidently being brought into force in that area. Is there any further information now available?

Hon. D. R. Irvine (Minister of Housing): Mr. Speaker, I am well aware that there have been some options taken. As to the extent of the options, I am not sure whether it is 10,000 or 2,000 or 5,000 acres. There have been meetings held by myself with my constituents in this regard and I have advised them to sign the options if they felt so inclined and to decline them if they didn't. It is up to themselves as to what decision is to be made in this regard. No pressure was put on the people in the area, contrary to what has been indicated by certain of the opposition members when they have stated to the press that there has been pressure involved.

Mr. R. F. Nixon: Whom is the minister talking about?

Hon. Mr. Irvine: What I want to say to the hon. Leader of the Opposition is this. The Ministry of Housing at this time has absolutely no idea as to what will take place in regard to housing development.

Mr. J. F. Foulds (Port Arthur): That's true.

Hon. Mr. Irvine: We will no doubt find out in the near future as to what development will take place.

Mr. R. F. Nixon: Supplementary: Would not the minister agree that either he or one of his colleagues, perhaps, in another position for overall planning, should inform himself as to the purpose of this assembly before it goes further? If in fact the lands are being bought for purposes which are not part of the proposed provincial plan, we may have another Century City on our hands, where the farmers concerned are going to find themselves holding mortgages where the payments are not going to be kept up.

Hon. Mr. Irvine: Mr. Speaker, I thought the hon. Leader of the Opposition would realize that the development, whatever it may be, can't take place without the government's approval of the land use.

Mr. J. R. Breithaupt (Kitchener): Just like Century City.

Hon. Mr. Irvine: As it is now, Edwardsburgh township has—

Mr. Havrot: They never had it so good.

Hon. Mr. Irvine: —an official plan; a land use restricted area bylaw—

Mr. A. J. Roy (Ottawa East): Try to tell that to the people living there.

Hon. Mr. Irvine: —so, therefore, the development can't take place without the municipal council of the township of Edwardsburgh and the Prescott and suburban—

Mr. Singer: Is that the minister's contribution for today?

Hon. Mr. Irvine: —area planning board in agreement with the development.

Mr. R. F. Nixon: If the minister will permit me a further supplementary: Is the minister telling the House that neither he, nor any of his colleagues, knows of the purpose for the assembly of what may be as much as 10,000 acres of land well above the going price in the particular area, and that he, not only as the minister but the member for the area, is prepared to allow that to go forward without further investigation?

Hon. Mr. Irvine: No, I'm not saying that, Mr. Speaker.

Mr. MacDonald: Now, don't kid us.

Hon. Mr. Irvine: What I'm saying is this: that the Ministry of Housing—as the question was directed to me—has no direct involvement in the options.

Mr. M. Shulman (High Park): Oh, that is not the assurance the minister gave us.

Hon. Mr. Irvine: I want to say this, Mr. Speaker—

Mr. MacDonald: Does the minister know anything about it?

Hon. Mr. Irvine: —that the Ministry of Housing is, and as the minister and as a local member, I am very much concerned as to what does take place in that area.

Mr. MacDonald: What is happening?

Hon. Mr. Irvine: I want to make sure that what takes place is in the best interest of all the people in my riding.

Mr. MacDonald: Does the minister know what is happening?

Hon. Mr. Irvine: And it will be investigated, fully, and has been under investigation by myself and by my colleagues—

Mr. Lewis: He is the minister of the Crown, not the Minister of Housing.

Mr. R. F. Nixon: Which colleagues?

An hon. member: Tell us.

Hon. Mr. Irvine: —and when the time for official comment comes we'll make it, but not until that time are we prepared to make it.

Interjections by hon. members.

Mr. Speaker: Order, please. The member for High Park.

Mr. Shulman: A supplementary, Mr. Speaker.

Mr. R. F. Nixon: Just one more question.

Mr. Speaker: Order, please.

Mr. Shulman: Can the minister give us a personal assurance that he knows what the land is to be used for now?

Mr. Speaker: Order, please. There have been several supplementaries by the members.

Mr. J. E. Bullbrook (Sarnia): But it is an important issue.

Mr. Speaker: Is the question of the member for High Park a supplementary?

Mr. Shulman: Yes, it is. Will the minister repeat the assurance that he gave me in writing that this assembly is not being made for the government of Ontario?

Hon. Mr. Irvine: Mr. Speaker, the assurance that I gave the hon. member was not in that wording, as I remember it.

Mr. Shulman: It sure was.

Hon. Mr. Irvine: It was a verbal conversation. At that time, I said I had no idea as to what the intent of the options was.

Interjections by hon. members.

Hon. Mr. Irvine: Now, whether it will be a government undertaking in the future remains to be seen. I don't know at this time.

Mr. MacDonald: What has the government got to hide?

Mr. M. Cassidy (Ottawa Centre): Who knows if the minister doesn't know?

Mr. Speaker: Does the hon. Leader of the Opposition have further questions?

An hon. member: The minister knows everything; why doesn't he tell us. He knows.

Mr. Speaker: Order, please. I said that was the last supplementary. This is developing into a debate. The member for Scarborough West.

Mr. T. P. Reid (Rainy River): It is only a one-sided debate.

Mr. Bullbrook: This is democracy in action. This is the opposition getting information during the question period.

Mr. Lewis: It's not always easy.

Interjections by hon. members.

Mr. Lewis: I want to ask a related but new question of the Minister of Housing. Since it is now obvious from his answers that the government is involved—at least to the extent that he knows what is taking place—why is he denying the public interest by refusing to inform this Legislature of what is occurring in that part of the province with that land assembly?

Hon. Mr. Irvine: Mr. Speaker, the leader of the NDP has again misinterpreted my remarks, as he generally does. Let me say to him that it would be much more in his interest if he would listen to what I say.

Mr. Lewis: I do.

Mr. Deans: Okay, we're listening.

Hon. Mr. Irvine: I didn't say what he is interpreting.

Mr. Cassidy: It is a great pain.

Mr. Stokes: What did the minister say?

Mr. Lewis: Hansard will show what the minister said. The Treasurer (Mr. White) will make the announcement 10 days from now, just as he did in Haldimand-Norfolk. Mr. Speaker, I want to ask—

Mr. R. F. Nixon: I have a supplementary to the question, Mr. Speaker, with your permission.

Mr. Speaker: I will allow a supplementary.

Mr. R. F. Nixon: Does the minister know what the use of the land is going to be, or not?

Mr. Lewis: Sure he knows.

Mr. Deans: Sure he knows.

Hon. Mr. Irvine: I've already said, Mr. Speaker—

Mr. R. F. Nixon: Say yes or no.

Hon. Mr. Irvine: —that I do not know what the use of the land will be. I know what it is now.

Mr. Speaker: The member for Scarborough West.

Mr. MacDonald: The minister ought to blush on that one, all right.

Mr. Shulman: This is not the minister's finest hour.

Mr. Breithaupt: This is not a place to stand; it is a place to run.

Mr. MacDonald: If the minister has nothing to hide, don't hide it.

Mr. Lewis: By way of a supplementary, Mr. Speaker: Since the minister is feeling no discomfort at all in the questioning process, can I ask if he knows the purpose for which the land is now being assembled?

Mr. Breithaupt: Will it be called Irvine city?

Hon. Mr. Irvine: No, I don't know for what purpose it's being assembled. I've already said that. I don't know what the future use will be.

Mr. Renwick: Does the minister know who has assembled it?

STUDY OF DEATHS IN URANIUM MINES

Mr. Lewis: A question, Mr. Speaker, of the Minister of Natural Resources: Can he explain, or answer the question which I attempted to ask yesterday? What happened to the report of 1973 prepared by Dr. Muller —not the Paterson report of 1973 and not the Muller report of 1974 but the Dr. Muller report of 1973—which chronicled the deaths from lung cancer in the uranium mines of Ontario up to 1970?

Hon. Mr. Bernier: Mr. Speaker, I have a copy of that report right here. If the member has not received it, or his office maybe has not given it to him, I'd be glad to give him a copy.

Mr. Lewis: That is the 1973 report?

Hon. Mr. Bernier: Yes, I think it is.

Mr. Deans: We don't want to know where it is; we want to know what the minister did with it.

Hon. Mr. Bernier: The table to which the member refers is in there.

Mr. Deans: That's not what we are asking. We already know that.

Hon. Mr. Bernier: The member doesn't know what is going on either, that's for sure —same as his leader.

Mr. Martel: We know what Allan Lawrence said last week.

Mr. Lewis: Mr. Speaker, with respect, this is not the report. By way of supplementary, in the body of the report which the minister has given me, which is a report prepared in 1974, there is an exclusive reference to another report which was prepared for his ministry in 1973, following lung cancer deaths in the uranium industry in Ontario up to 1970. This is simply an update of that. What happened to that report and why wasn't it made public?

Hon. Mr. Bernier: Mr. Speaker, I am not aware of that particular report to which the member refers, but I'll certainly check into it and make sure he gets a copy of it. It is my understanding that everything is included in that report. Everything is in there.

Mr. Deans: Oh, come on. That is not what we want.

Mr. Lewis: By way of supplementary, since this report, as Dr. Muller has indicated, was in the hands of your ministry prior to the estimates for several months in advance of the debate around Elliot Lake, how is it that the information involving the incidence of lung cancer deaths in Elliot Lake was hidden from the miners and suppressed from the public, and how is it that the miners were allowed to continue to work under the conditions which spawned the lung cancer? How did all that happen in this ministry?

Hon. Mr. Bernier: Mr. Speaker, in view of inaccuracies of the statements and the comments and the accusations the leader of the New Democratic Party has made in the past, I'll have to check in detail before responding.

Mr. MacDonald: Oh, go on. They were so accurate the minister finally backed up and retreated.

Mr. Lewis: By way of one last supplementary, Mr. Speaker, since the minister treats this so lightly, as he treated the whole subject throughout, on page 5 of Dr. Muller's report, which has just been given me across the floor, there is the following: "In a previous report, 1973, Dr. Muller gave the results of the matching of the nominal roll of uranium miners with death certificates of persons dying in the Province of Ontario between 1955 and 1970." That previous report, which is in the hands of the Minister of Health, the Workmen's Compensation Board and the Minister of Natural Resources, showed an incidence of lung cancer three times greater than the regular population. Why was it suppressed? Why weren't the miners told? What the hell is wrong with this ministry?

Interjections by hon. members.

Mr. Speaker: Order, please.

Hon. Mr. Bernier: Mr. Speaker, I have already answered the member's question. I want to point out to the members of the Legislature that in the course of my estimates, when this whole matter of silicosis was being reviewed and I did make a statement and I followed through with certain statements, it was the leader of the New Democratic Party who stood up and said: "You've gone further than I would have expected you to go."

Mr. Lewis: That's right, and now I know why you went. I know why you moved. It was because you had this report, you knew what the report said and you allowed the men to work, nevertheless.

Hon. Mr. Bernier: Much further than he ever expected. He complimented this government.

Mr. Speaker: Any further questions?

RECLASSIFICATION OF MAINTENANCE MECHANICS

Mr. Lewis: May I ask the Minister of Government Services, Mr. Speaker, if he is aware that full members of his staff, engaged in the mechanics maintenance division, last night unexpectedly received a letter which reclassifies them from maintenance mechanic 2 to maintenance mechanic 1, circling their present rate of pay at $4.57 an hour and keeping them from any subsequent raise in pay for something like three years on the basis of their present rates? Does he think that's the way to treat government employees in the midst of the present negotiations?

Hon. J. W. Snow (Minister of Government Services): Mr. Speaker, I'm not aware of that matter at all, but I'll certainly look into it.

Mr. Lewis: By way of supplementary, when the minister looks into it, can he see why the discussions which were held with some of these workers back in May and June and into the summer, and which led them to believe everything was all right, were suddenly reversed by way of administrative fiat last night?

Hon. Mr. Snow: Yes, I will certainly look into it. I am not aware of that at all.

Mr. Shulman: Supplementary.

Mr. Speaker: Supplementary, the member for High Park.

Mr. Shulman: While the minister is looking into that, will he also look into the group of workers who last month were reclassified from mechanic 3 to 2, freezing their positions for the next four years?

Mr. Speaker: It is a related question and not a supplementary, but if the minister wishes to answer, he may.

Hon. Mr. Snow: I'll look into that matter too.

FISH AND WILDLIFE BRANCH MEMO

Mr. Lewis: I have a last question, Mr. Speaker, of the Minister of Natural Resources, if I may. Can he explain the meaning of the internal memo sent from J. Douglas Roseborough, the head of the fish and wildlife branch of his ministry, to all scientists in the fish and wildlife branch dealing with projects in northwestern Ontario, indicating that they must be firmed up within three years and saying among the requirements specifically, "Results must be direct, economic and highly visible, especially early in the year?" Maybe the minister could tell us why.

Mr. Breithaupt: That's next year.

Mr. Lewis: What a ministry he has! No. 4 states: "programmes must have direct economic impact instead of socio-economic; that is, projects would put money in people's

pockets as opposed to putting money into ethnic-group pockets or the poor."

Interjections by hon. members.

Mr. Lewis: And no. 5 "studies need visible payoff." Would the minister like to explain all of those requirements?

Mr. Martel: Boy, is there an election coming?

Hon. Mr. Bernier: Mr. Speaker, I am certainly not aware of a memo that would be translated by a member of my staff or other people. I don't know how one would refer to the "visible results," to which he refers. This is beyond me. I would just like to check into it and find out what prompted it.

An hon. member: What is an ethnic pocket?

Mr. MacDonald: There was obviously no direction from up top.

Mr. Speaker: The hon. member for York North.

Mr. Martel: Has the Premier announced the election yet?

An hon. member: The minister is getting in deeper and deeper.

Mr. Speaker: The member for York North.

HIGHWAY 404

Mr. W. Hodgson (York North): I would like to ask a question of the Minister of Transportation and Communications. I would like to know at the present time, with regard to the proposed Highway 404 running north from Don Valley Parkway up into my riding at Newmarket, on what proportion of that proposed highway has the design been completed to date? If there is such a portion where the design has been completed, when will a contract be called on it?

Mr. MacDonald: In time for the next election, early in 1975.

Interjections by hon. members.

Mr. Speaker: Order, please. The hon. minister has the right to answer.

Hon. Mr. Rhodes: Mr. Speaker, let me assure you that the projects that we do in this ministry are always very visible.

Interjections by hon. members.

Mr. Foulds: Twelve years ago several bridges were supposedly built. They never materialized.

Mr. Speaker: Order.

Hon. Mr. Rhodes: They are also very visible in the Sudbury area, I might point out.

Interjections by hon. members.

Mr. Speaker: Order, please. The interjections are wasting time.

Mr. Lewis: That's quite a ministry he has.

Hon. Mr. Rhodes: It's the members' question period they are using up. I don't mind it.

Mr. Breithaupt: And to advantage too.

Mr. Bullbrook: Answer the question.

Hon. Mr. Rhodes: I'm prepared to answer it.

Mr. Bullbrook: Answer the question.

Hon. Mr. Rhodes: I intend to. Mr. Speaker, the design has been completed on the highway and the first contract for tenders will be open on Nov. 20. However, I believe Nov. 12 is the last date for applications to be heard before the Ontario Municipal Board. We don't anticipate any problem but we feel that the tenders for the first contract will be opened on Nov. 20. That will be the area from Steeles to Highway 7.

An hon. member: The minister just happened to have the answer there.

Mr. W. Hodgson: Supplementary: Did I understand the minister to say that the design has been completed on the whole stretch from the Don Valley to Newmarket?

Hon. Mr. Rhodes: Mr. Speaker, I don't want to mislead the member. I don't know whether it is totally completed or not. My information is that there is sufficient design completed to start the first project, which is what I thought his question was.

Mr. D. M. Deacon (York Centre): Supplementary: Has the minister changed his predecessor's plan to make this into a two-lane regular highway and is it designed now as it was formerly designed in the original concept of a controlled access highway to the east side of Yonge St. from the northerly extension of the Don Valley Parkway? Is it just a two-lane highway that the minister is talking about or a full controlled-access highway?

Hon. Mr. Rhodes: Well, Mr. Speaker, it is not intended that it would be a full controlled-access highway. The hon. member knows that he and I are going to go and look at the area. Does he still want to go or would he like to call it off?

Hon. A. Grossman (Provincial Secretary for Resources Development): Make sure he puts his seatbelt on.

Mr. Bullbrook: That truly is arrogance, I'll tell you. A guy in his position can ill afford it.

Hon. Mr. Rhodes: It is friendliness.

CARLETON EAST BY-ELECTION

Mr. Speaker: The member for Ottawa East.

Mr. Roy: I have a question of the Premier, Mr. Speaker. It relates to a statement by his colleague, the Treasurer, in the official party organ, Insight, which states, "Irvine's successor likely within a few weeks: White." Is that the carrot that was promised to rabbit Benoit when he is elected, if he is elected?

Hon. S. B. Handleman (Minister without Portfolio): The member is afraid of him, isn't he?

Hon. W. G. Davis (Premier): Mr. Speaker, I can't help but feel that the Liberal Party of this province is really very disappointed, upset and concerned that one Pierre Benoit had the good sense to run for the Conservative Party rather than for the Liberal Party in this province.

Mr. Roy: What's he going to get?

Hon. Mr. Davis: I can only assume that the only way those people over there can get candidates is by dangling carrots, which is not the way we operate in this party.

Mr. R. F. Nixon: All those rabbits in the back row are sitting up.

Interjections by hon. members.

Mr. Speaker: Order, please. The time of the question period is passing rapidly. I think there's time for one supplementary from the member who asked the original question.

Interjections by hon. members.

Mr. Roy: By the way, why isn't the Premier campaigning in Carleton East instead of spending his time in the Arctic? Is he afraid of going there?

Mr. Lewis: It's warmer in the Arctic.

Hon. Mr. Davis: Mr. Speaker, if that is a question of some public importance, and I assume the member for Ottawa East would not have asked it if it were not of public importance, the answer to that is very simple—

Mr. Cassidy: The Premier wasn't asked to go to Carleton East.

Mr. Lewis: It is friendlier in the Arctic than in Carleton East.

Hon. Mr. Davis: There is a matter of public interest in the Arctic as it relates to the natural gas supply of the Province of Ontario, and I would think that the activities of the member for Ottawa East in Carleton East will be a sufficient plus for us that there will be no need for me to attend in that particular riding.

Mr. Speaker: The member for Ottawa Centre.

Mr. Cassidy: I have a question of the Premier which, by coincidence, also happens to relate to the Carleton East by-election—

Hon. Mr. Handleman: Just by coincidence? Let's take a vote now.

Interjections by hon. members.

Mr. Cassidy: Can the Premier say whether the government agrees with the proposal made by Pierre Benoit in regional council a year ago that the urbanized portions of Gloucester township and the village of Rockcliffe both be amalgamated into the city of Ottawa?

Hon. Mr. Davis: Well, Mr. Speaker, if memory serves me correctly, and I am going strictly by memory—

Mr. Lewis: The Treasurer's memory.

Mr. Deans: The Treasurer just whispered the Premier's memory.

Hon. Mr. Davis: —that matter—in fact, the total area is under study at this time. The government's policy, of course, will have to await—I am sure the hon. member wouldn't want us to do anything differently—that study's completion.

Mr. Cassidy: Mr. Speaker, one supplementary.

Mr. Speaker: One supplementary.

Mr. Cassidy: Thank you, Mr. Speaker. Can the Premier say then if he intends to

appoint Mr. Benoit to the position of municipal affairs if elected? If so, does that mean that there will be a substantial shift in government policy, which up until now has rejected one-tier forms of regional government? Does the government intend to change its policy, or has the Premier succeeded in convincing the mayor, Mr. Benoit, to make an instant switch of his convictions, along with his political stripes?

Hon. Mr. Davis: Mr. Speaker, once again I sense a certain sensitivity from the member for Ottawa Centre as it relates to the Conservative candidate in that riding—

Hon. Mr. Handleman: They are scared of him.

Hon. J. White (Treasurer and Minister of Intergovernmental Affairs): They are all in a state of shock.

Hon. Mr. Davis: All I can say is thank heaven we have somebody who has the capacity to be creative, to express personal points of view and who doesn't adhere, as the hon. member does—

Mr. Lewis: Oh, he has flexibility all right. He has flexibility. Yes, he is infinitely creative.

Hon. Mr. Davis: He doesn't adhere to the party line that the hon. member has to adhere to—

Interjections by hon. members.

Mr. Speaker: Order, please.

Hon. Mr. Davis: I can only say, Mr. Speaker, that government policy as it relates to regional government is pretty clearly established; the party policy is the government policy. While I recognize the member for Ottawa Centre would like me to do something that would make life difficult for the Conservative candidate in that particular by-election—

Mr. Breithaupt: It is difficult enough now.

Hon. Mr. Davis: —I can only say to him that he's wasting his time.

Interjections by hon. members.

Mr. Speaker: Order, please. The Minister of Transportation and Communications has the answer to a question from yesterday.

Mr. Cassidy: The Premier has just disowned his candidate.

KRAUS-MAFFEI SYSTEM

Hon. Mr. Rhodes: Mr. Speaker, in reply to a question yesterday from the hon. Leader of the Opposition—

Mr. Cassidy: He's disowned his potential minister of municipal affairs.

Hon. Mr. Davis: There isn't a portfolio of municipal affairs.

Mr. MacDonald: It is part of the White empire.

Hon. Mr. Rhodes: —I am informed by the Ontario Transportation Development Corp. that the visit to Krauss-Maffei Munich test facility that was cancelled, had planned to include on that trip the regional chairman of Metropolitan Toronto, the regional chairman of Ottawa-Carleton, and the regional chairman of Hamilton-Wentworth, along with the general managers of their transit systems. Two OTDC directors were to travel with the group as well. Transportation planners from Hamilton and Toronto were joining this group at the municipalities' expense. CFTO-TV news and representatives from the Toronto Sun and Southam News Services were to accompany the group. The trip was postponed because of technical difficulties with the prototype during the new test procedures.

The regular performance of a magnet required investigation, plus replacement of a faulty sensor component, and the retesting and recertification of the vehicle to enable it to carry passengers on demonstration rides. The visit is to be rescheduled as opportunity allows, perhaps in three weeks.

Mr. Singer: As soon as they have a train.

Hon. Mr. Rhodes: This is the type of problem that is normal in testing new system capability. Last week demonstrations of the prototype capability were successfully conducted for a group of 20 Canadian industrialists. It is obvious that conducting the necessary testing programme and providing public visibility of the technology at the same time inevitably create this potential for some periodic disappointment.

Mr. Cassidy: If it will break down, why is it used?

Mr. R. F. Nixon: Supplementary: Is the train they're going to see, the one that is being built and designed for use at the CNE in 1975?

Mr. Breithaupt: The real one.

Mr. Singer: The prototype of the prototype.

Hon. Mr. Rhodes: Mr. Speaker, the equipment and the demonstration, as I understand it, that the visiting group was to see would be the equipment that was being prepared for the demonstration project here in Toronto.

Mr. R. F. Nixon: It's prepared for this demonstration programme.

Mr. Speaker: The hon. member for York-Forest Hill.

ADMISSIONS TO ONTARIO UNIVERSITIES

Mr. P. G. Givens (York-Forest Hill): I would like to ask a question of the Minister of Colleges and Universities. What does he intend to do, if anything, about making provision to give priority to the children of residents of the Province of Ontario in their applications for admission to the professional universities of this province, which are so heavily supported by the taxpayers of this province? Does he intend to do anything about that, instead of giving priority to students who seem to come from all over the world?

Hon. J. A. C. Auld (Minister of Colleges and Universities): Mr. Speaker, the latter part of the hon. member's question was a statement, and the statement is incorrect. I think I have mentioned before that the admission policies to the universities are the policies of the individual universities. They vary a bit from institution to institution.

There is an Ontario Universities Committee which meets to discuss admission standards. I asked the new Council on University Affairs to pursue a little further the question of admission standards in a variety of ways. While I don't have the figures at my fingertips in the professional fields, I do have some figures which indicate that province-wide something in the order of 84 per cent of the first-year students this year are Canadian citizens.

Mr. Shulman: Not in medicine.

Mr. Roy: Yes, what about medicine?

Hon. Mr. Auld: Some 14 per cent are landed immigrants and about 1.5 per cent are on student visas.

Mr. Shulman: Take a look at the figures in the University of Toronto in medicine.

Mr. Givens: Supplementary.

Mr. Speaker: I will allow one supplementary.

Mr. Givens: Mr. Speaker, is it true or is it not true, in light of what we've been reading in the newspapers, that priority is being given, particularly in the medical schools, to a great extent to students who are not the children of residents of the Province of Ontario? Is it or is it not true?

Mr. Shulman: That's not true. Just say no.

Hon. Mr. Handleman: You're anti-Canadian.

Mr. Singer: The NDP will answer the question for you.

Mr. R. F. Ruston (Essex-Kent): He's got a conflict of interest.

Mr. Lewis: Just say no.

Hon. Mr. Auld: The hon. member is asking about medicine. There are five medical schools in the province. There was a total of 8,733 applications for an available number of first-year positions of 582.

Mr. F. Laughren (Nickel Belt): Shame.

Mr. Lewis: That says something about the government's planning.

Mr. R. S. Smith (Nipissing): That 582 is the problem.

Hon. Mr. Auld: The figures that I gave a moment ago are roughly correct. The applications among the five schools varied from a high of 95 per cent in one university to 74 per cent in another, giving an overall average of Canadian students in medicine of 84.2 per cent; landed immigrants, 14.2 per cent; foreign student visas, 1.6 per cent.

Mr. Lewis: He keeps close track of this still, doesn't he? We all have our fetishes.

Mr. Speaker: The member for Wentworth.

LOTTERY FOR HAMILTON HOME LOTS

Mr. Deans: Mr. Speaker, I have a question of the Minister of Housing.

Will the Minister of Housing investigate three areas of the lottery currently being conducted in the city of Hamilton under the HOME programme? They are:

1. That there is misinformation being given out by one Mr. Taylor on behalf of the HOME programme to those who are inquiring about the programme that Settlement

Corp. had withdrawn from the development—Settlement denies this—and that Shelley Construction had withdrawn from the development—Shelley denies this—thereby depriving a number of those people of the opportunity of choosing either of those two builders as a result of having to submit their requests in the last two or three days;

2. Whether or not the present method of the lottery, which limits those individuals making application to a particular builder, thereby limits the opportunities for them to receive a full range of the 750 HOME lots available—

Mr. Reid: Question. Question.

Mr. Deans: And, 3. Will he draw all of the names of all of the people who have submitted applications and give them an opportunity on the basis of priority number to take part in future developments under the HOME programme in the area?

Hon. Mr. Irvine: Mr. Speaker, the hon. member was kind enough to bring this matter to my attention during the House proceedings today, and I will be delighted to look into the matter. I am not aware as to the information which he has supplied, whether it is factual or not. But what I wish to do is to assure him that I will take steps to make sure that all the people who wish to obtain lots—I believe it is 750 lots in this particular development—will have an opportunity to do so on an equal basis.

Now, I would hope that there has not been any misinformation given out, but I will make sure that the matter is fully investigated and I will report to him.

NORTHERN ONTARIO SECESSION

Mr. Speaker: The member for Nipissing.

Mr. R. S. Smith: Mr. Speaker, I have a question of the Premier—nothing to do with Ottawa Centre, if that might make him happy.

Would the Premier explain what answers he gave to the representatives of the group from northern Ontario who met with him this morning in regard to their request for a referendum on secession of some parts of Ontario?

Hon. Mr. Davis: Mr. Speaker, of course, I would be very interested to know whether the member for Nipissing would support such a referendum, but I did tell Mr. Diebel—

Mr. Breithaupt: Well, just ask him.

Mr. R. S. Smith: On a point of order, I am quite willing to tell the Premier that I do not support this request.

Interjections by hon. members.

Hon. Mr. Davis: That is interesting, because that is what I told Mr. Diebel about 11:30 or 11:45 today. Mr. Diebel was here with his son; in fact, he is here with us in the gallery. I think I have communicated my views to him on two or three other occasions in the past six months at various meetings. I am quite sympathetic to the concerns of the north, and this government is making every effort to see further development. But as I explained to Mr. Diebel, I really didn't think a referendum or the possibility of northern Ontario becoming another province would, in fact, solve the problem.

Mr. M. C. Germa (Sudbury): Supplementary, Mr. Speaker.

Mr. Speaker: One supplementary.

Mr. Germa: Mr. Speaker, could I ask the Premier what specific steps he has taken to dispel the alienation which motivates people like Mr. Diebel to come here to park on his front lawn?

Hon. W. A. Stewart (Minister of Agriculture and Food): Getting rid of people like the member for Sudbury.

Hon. Mr. Davis: Mr. Speaker, I have been listening here now for—

Mr. Deans: He might end up with another Minister of Natural Resources.

Hon. Mr. Davis: Yes, that would be one solution, of course. But apart from that very partisan solution to the problem in Sudbury, I have been sitting here listening to the contributions from the member for Sudbury. I don't say this in any unkindly sense, but I have yet to hear him say anything that is going to add in any positive way to the development of that part of the Province of Ontario. If he has any constructive suggestions or any ideas to offer, other than the negative question he has now asked, I would be delighted to receive them and entertain them.

Mr. Speaker: The member for Thunder Bay.

TIMBER PURCHASES FROM INDEPENDENT CUTTERS

Mr. Stokes: Thank you, Mr. Speaker. I have a question of the Minister of Natural Resources. In view of the commitment that

the minister gave during his estimates about MacMillan Bloedel, which was given exclusive rights to all of the hardwood within a certain radius of the city of Thunder Bay and its plant in Paipoonge township, will the minister instruct MacMillan Bloedel that it must take the timber from the independent cutters in that area or allow the independent cutters to sell to other wood users in the area, such as Great Lakes?

Hon. Mr. Bernier: Mr. Speaker, I was not aware that a situation like this was developing in the Thunder Bay area. I would be glad to look into every detail of it.

Mr. Stokes: Will the minister look into the fact that MacMillan Bloedel is refusing to purchase timber from the independent cutters?

Hon. Mr. Bernier: Yes, Mr. Speaker. This was certainly not our intention when we entered into the agreement with MacMillan Bloedel.

Mr. Speaker: The member for Grey-Bruce.

PROVINCIAL DEFICIT

Mr. E. Sargent (Grey-Bruce). Mr. Speaker, a question of the Treasurer: In view of the seriousness and the magnitude of the projected $848 million deficit—the largest in North America this year—is the Treasurer aware of the statement of the Governor of New York who said that the inflation will balance their budget?

As a second question, in view of the fact that they have a $9 billion budget comparable to ours and are working on the same index of a nine to 12 per cent inflation, if inflation has balanced their budget, since we have an $848 million deficit, would the Treasurer project that we could have had a $2 billion deficit?

Hon. Mr. White: No, sir. I predicted a $336 million surplus and we will have a surplus. I suppose the reason we have a triple A rating, while New York has a double A rating, is because we are doing a better job of our budgeting.

Mr. Sargent: Supplementary.

Mr. Speaker: Order please. I think, in view of the time, we should allow no supplementaries. The member for High Park.

VOTING RIGHTS OF JUDGES

Mr. Shulman: A question of the Premier, Mr. Speaker: In light of the disquiet among the judges in this province at being disqualified from voting in municipal elections, will the Premier explain why the judges have been disqualified from municipal elections but not provincial and federal elections?

Hon. Mr. Davis: Mr. Speaker, is the member referring to the high court, county court or provincial court judges?

Mr. Shulman: According to Bill 65, which the government put through, it refers to all judges.

Hon. Mr. Davis: All judges being excluded from municipal elections? And the member wants to know why then can vote in provincial and federal elections? I will research this immediately.

Mr. Speaker: The member for Waterloo North.

SILVER LAKES ESTATE

Mr. E. R. Good (Waterloo North): Mr. Speaker, a question of the Minister of Housing: Is the minister aware of the scheme at Silver Lakes Estate whereby land is being subdivided and rented out on a 10-year lease, after which the proposed tenant is supposed to own it, subject to getting approvals and consent from the planning department at his own expense? Has the minister looked into this scheme at all? I think it is the result of a loophole in the Planning Act.

Hon. Mr. Irvine: Mr. Speaker, this matter has been brought to my attention. I haven't had the opportunity to investigate it fully. I will, and report to the member.

Mr. Speaker: The member for Port Arthur.

POLLUTION TESTS IN THUNDER BAY HARBOUR

Mr. Foulds: Mr. Speaker, a question of the Minister of the Environment: Is the minister aware that testing for asbestos fibres is taking place in Thunder Bay harbour by American pollution control agencies? Has his ministry had any direct involvement in this testing, and is his ministry willing to undertake such testing? The problem may be the result of Reserve Mining dumping taconite tailings farther down in Lake Superior.

Hon. W. Newman (Minister of the Environment): Mr. Speaker, we have done a great deal of testing all over the province. I can't be specific on Thunder Bay harbour, but I will let the member know. We do have an expert on asbestos fibres in drinking water.

Most of the fibres do come out when the water goes through the filtration plant, and it comes out at a safe level for drinking, but we will look into that particular aspect that the member was mentioning.

Mr. Speaker: The oral question period has now expired.

Petitions.

Presenting reports.

Mr. McNeil from the standing resources development committee reported the following resolution:

RESOLVED: That supply in the following amounts and to defray the expenses of the Ministry of the Environment be granted to Her Majesty for the fiscal year ending March 31, 1975:

Ministry administration programme	$ 6,455,000
Environmental assessment and planning programme	14,777,000
Environmental control programme	158,308,000
Resource recovery programme	2,159,000

Mr. Speaker: Motions.

Introduction of bills.

Mr. R. F. Nixon: No bills again?

Mr. Martel: They are all going to come in during the last week and we will sit round the clock again.

Mr. Speaker informed the House that the Clerk had received and laid upon the table the certificate of a by-election in the electoral district of Stormont.

PROVINCE OF ONTARIO

THIS IS TO CERTIFY that in view of a writ of election dated Sept. 9, 1974, issued by the Honourable the Lieutenant Governor of the Province of Ontario and addressed to Michael Sâlhany, Esq., returning officer for the electoral district of Stormont, for the election of a member to represent the said electoral district of Stormont in the legislative assembly of this province, in the room of Fernand Guindon, Esq., who since his election as representative of the said electoral district of Stormont has resigned his seat, George Roy Samis, Esq., has been returned as duly elected as appears by the return of the said writ of election, dated Oct. 26, 1974, which is now lodged of record in my office.

(*Signed*)
RODERICK LEWIS
Chief Election Officer

Toronto, Oct. 28, 1974

Mr. Lewis: Mr. Speaker, I have the honour to present to you Mr. George Samis, member-elect for the electoral district of Stormont, who has taken the oaths and signed the roll, and now claims the right to take his seat.

Mr. Speaker: Will the member take his seat?

George Samis, Esq., member-elect for the electoral district of Stormont. having taken the oaths and subscribed the roll, took his seat.

Mr. Lewis: It is what you call the beginning of the end.

Hon. Mr. Grossman: We want a recount.

Mr. Martel: Why would the minister want a recount?

Mr. Cassidy: He got rather angry when I wrote an article about his riding.

Mr. Shulman: We will have to talk about that some time.

Mr. Speaker: Orders of the day.

Clerk of the House: The 18th order, House in committee of supply.

ESTIMATES, MINISTRY OF INDUSTRY AND TOURISM

Mr. Chairman: The hon. minister.

Hon. C. Bennett (Minister of Industry and Tourism): Mr. Chairman, I have a short statement relating to the Ministry of Industry and Tourism estimates.

The estimates for 1974-1975 provide funds for the Ministry of Industry and Tourism in the amount of $75,568,000—ministry operations, $21,833,000; Ontario Development Corp., $50,515,000; Ontario Place Corp. capital and operating, $3,220,000; for a total of $75,568,000. This represents an increase of $11,066,000 over 1973-1974.

The ministry's increased funds are primarily for salary increases and adjustments, plus a small increase in staff for Ontario field offices and the new service industry branch; tourist promotion, including increased funds for the new regional tourist associations; a new programme of university student counselling to small businesses.

Mr. A. J. Roy (Ottawa East): How much did it cost to run your bus?

Hon. Mr. Bennett: They are also for transfer of staff to our increased Ontario field office operations.

Relating to ODC, EODC and NODC, increased funds are primarily for loan pro-

grammes, with particular reference to increased funds for tourism development and increased activity due to the establishment of the new Eastern Ontario Development Corp. Those are the two principal areas of our advancement in the last year in the development of corporation operations.

I am sure hon. members will recall, when our estimates were before the committee last year, that reference was made to the ministry reviewing all programmes of the ministry and reassessing our administrative organization to ensure an organization that could effectively serve the people of this province. I am pleased to report that this exercise has been completed. The ministry is now set up to conform with the guidelines recommended by the Committee on Government Productivity and is organized to best serve the task assigned to it. I will not, Mr. Chairman, at this time go into details regarding the ministry organization. However, I might refer you to the Ontario Industry, Trade and Tourism Review, which was forwarded to members some weeks ago. This review provides details of the ministry organization, its services and its activities over the past year.

There are, however, two areas within the ministry that I would like to refer to at this time. The first deals with the small business opportunities division. This division, which centralizes activities through domestic and foreign field offices—and I might report that there are 22 domestic field offices for the ministry at this time and 15 foreign field offices—is a prime point of business contact with the ministry and is the cornerstone of its reorganization. During this past year, new offices have been opened and a number of staff transferred from the main office here in Toronto to strengthen this new field operation.

The second item of particular interest is the formation of a policy development committee within the ministry. This committee is chaired by myself and composed of the deputy minister, assistant deputy minister and the executive directors of the divisions, including the Ontario Development Corp. This policy development committee is supported by a small strategic planning unit. The director of this unit acts as secretary to the policy development committee and provides the back-up to make this an effective ministry development tool.

With regard to the Ontario development corporations, I am pleased to advise you of a major increase in their loan programme, particularly in the field of tourism development in eastern and northern Ontario. I should also like to mention that the Ontario Development Corp. is now headed by a full-time chairman in the person of Mr. James H. Joyce, a former senior executive of a large Ontario trust company.

I have indicated, Mr. Chairman, that industrial development in the current operation covers the Ontario Business Incentives Programme, the Tourism Development Loan Programme, the reorganization of the ministry, the decentralization of our field operations and the service industries branch that we have brought into being.

As far as the future is concerned, we look forward to bringing into this House a policy relating to financial assistance in the development of municipally-owned industrial land development whereby we can provide the financing required for the infrastructure in municipally-owned industrial parks. I have in recent days spoken of the trading corporation that the Province of Ontario is reviewing at this time in conjunction with the federal government and other provinces of Canada.

Last but not least, we are continuing to try to strengthen the transportation industry in Ontario and in Canada. Even though we now have Alberta in the Urban Transportation Development Corp., our discussions with the government of Canada on a national urban transportation development corporation are proceeding.

Mr. Roy: How much did it cost to go around in your bus?

Mr. E. Sargent (Grey-Bruce): Mr. Chairman, as critic of these estimates, I welcome again the chance to express my dissatisfaction with this whole political exercise. Nothing has changed at all.

It reminds me of the old gal of 84 who was a streaker at a flower show—she won the first prize for the best dried-up arrangement. Well the arrangements in these estimates, about $75 million worth, are, I continue to maintain, a blatant use of the taxpayer's money. In the main, the whole exercise is to buy votes.

Mr. Chairman, in my almost 13 years in this Legislature I have never been asked once by any minister or any official of this department where or how loans could be used to help my people. My riding is the second lowest in the economy of this province—52nd out of 53 counties. Economically, we are at the bottom of the totem pole. I have never been asked; conversely, may I say, I have never had a loan which was given in the area.

Mr. R. G. Hodgson (Victoria-Haliburton): You have never been bashful, have you?

Mr. Sargent: I have never had one loan that I sponsored approved. When a loan is made in the riding, it is announced by the Chairman, Management Board of Cabinet (Mr. Winkler).

I don't know if this is par for the rest of the opposition members, but I think this is proof positive that when Bob Macaulay set up this strictly political ministry to use the people's money to buy votes, it was to be a political organization; we have proof positive that $59 million was used in Ontario, mainly in Tory ridings.

I am hopeful that the new member for Stormont (Mr. Samis) will have seen what is done down there for that economy, because they look after their own people but they don't look after the opposition. I hope the new member can get the same attention that his predecessor had.

Mr. Roy: Remember, Bill Davis is human.

Mr. Sargent: That's right.

Mr. E. R. Good (Waterloo North): Barely.

Mr. Sargent: Yesterday we talked about inflation. Now these estimates have a strong bearing on inflation in the province.

You know, the first time I heard about inflation I was driving in a taxi the other day and the driver said to me: "Do you know when inflation started?" I was reading something and wasn't paying much attention to him. He said: "Do you know when inflation started?" I said: "Why?" He said: "Inflation started, I think, when Al Eagleson gave Bobby Orr a $1 million contract." I listened to that and I said: "That's not a hell of a bad thing to think about." That could possibly be, when these things got out of focus.

Secondly, when we get more along the line into inflation, as Bob Macaulay says, Hydro was the author of an expensive arbitration award, granting Hydro employees increases in excess of 10 per cent a year.

Now we come down to this minister, who drives around in a sexy travelmobile with all the comforts of home—a bar and so on in the deal. He is distributing largess across the province; he has $59 million to give away. What a big operator you are; what a big operator.

Mr. Roy: He is distributing Claude Bennett across the province.

Mr. Sargent: You have made 400 of these loans across the province and I can tell you, Mr. Minister—

An hon. member: Will Bennett go out when Benoit comes in?

Mr. Sargent: The word is that Mr. Bennett is going to be dropped when Benoit comes in. I don't think it matters who runs this department, because the formula is set by the civil service which implements government political largess.

Now the tourist operators of the province are angered over the ODC loaning policies. The Ontario Development Corp. has money to loan to tourist operators seeking to expand or refurbish their business places, but only if the owners can't borrow the money anywhere else.

A lot of the tourist operators are angered over this policy. One man says: "You are telling us there is money available but that the efficient operators with equity in their business and good reputations, taxpayers, are excluded from these six per cent loans; they must pay 12 per cent or more interest on their borrowings." How does this help the small businessman? If you are a good operator you have to pay 12 per cent for your money, but if you can't get credit someplace else, you get it from the government for six per cent.

Mr. Minister, I agree with you that lengthy statements are not necessary because we only have five hours to spend on these estimates. My colleague from the NDP has a statement to make, but I hope that in the estimates we can get into the intricacies of the $5 million loan for Minaki or the $6 million loan for Consolidated Computer Inc. and find out who the people are who set that deal up and who are the personnel of the board of directors. I will bet my bottom dollar they are all top Tories.

We have been getting the minister's speeches in the mail throughout the year; and of course we all got a copy of the minister's powerful speech in London, England, whereby he set Ontario back about 50 years. I'll also give an example of the gobbledegook he talked about in the Canadian Transit Industrial Conference at the Ontario Science Centre. The verbiage here is like it's written by a 10-year-old kid. He talks about the expertise we have here in this field of urban transport in Canada.

Well it is so good now that we have sold our rights to McDonnell-Douglas in the United States. We don't have the American market left for us. The people who could have built this thing here, Hawker Siddeley, have 5,000 people, but instead you give the contract to Krauss-Maffei, or whatever you

call them in a rinkey dink deal in Germany—a company which has no standing over there at all. Now we read in the press this morning where a group was going to go over there to test the units and the units are broken down and they can't handle them.

Mr. Chairman, I am anxious to get into the estimates because the minister has a $1 million error in his estimates here on the second vote, so I am anxious to get in and find out just how he operates his department.

Mr. Chairman: The hon. member for Thunder Bay.

Mr. J. E. Stokes (Thunder Bay): Thank you, Mr. Chairman. First, before I get into the main import of what I would like to say, I would like to again commend the minister for at least taking the time to get around the province and talk to people in the industrial, commercial and tourist life of the province. I know that he did have his problems. I had arranged to meet him on one occasion up in one of the northern communities, but he got waylaid by inclement weather and never was able to keep the appointment. The local member had a field day in the minister's absence.

I want to tell you, if I might be immodest for a little bit, we did have a very useful meeting in the minister's absence, both at Manitouwadge and at Marathon. It served a useful purpose and I do hope that on future occasions when it's impossible for the minister to keep his commitment he will take advantage of the earliest opportunity and whatever sophistication we may have by way of communications to advise those people of the reasons he wasn't able to keep the commitment. I think it would sit much better with those people who had assembled for some three or four hours in anticipation of the minister's arrival.

An hon. member: Make sure he's waylaid again.

Mr. Stokes: For a few minutes, Mr. Chairman, I want to talk about the lack of an industrial strategy for the Province of Ontario.

Now to be absolutely fair about this, there is a dual responsibility for industrial strategy and industrial development right throughout the Province of Ontario. There is a dual role for this government, inasmuch as Treasury, Economics and Intergovernmental Affairs are responsible for the development programmes through the regional development branch of TEIGA; however a lot of the basic work, a lot of the finances that are allocated for this specific purpose, come within this particular ministry and its various agencies—the Ontario Development Corp. and the Northern and the Eastern Ontario Development Corps.

I am just wondering what liaison there is between those two ministries when they don't even have the same geographic terms of reference? You have the Eastern Ontario, and Northern Ontario and the Ontario Development Corps., three entities with responsibilities for specific areas in the province. When one examines the activities of the regional development branch of Treasury, Economics and Intergovernmental Affairs, one finds they have five economic regions. So I am wondering just how serious you are or how effective you are in co-ordinating the programmes of your ministry and this other ministry which is also responsible for regional economic development.

We in this party have done considerable research over the past several months analysing the effect of your programmes through the Ontario Development Corp. We find since the inception of the programme in the fall of 1967, when it was announced by former Premier Robarts on a tour to northwestern Ontario, that it was unveiled as a plan which he said was an economic incentive programme specifically designed to help slow-growth and under-developed areas of the province. Since that time there have been a variety of programmes undertaken by this ministry starting with the forgivable loans that were changed to performance loans; and then you had the term loans. Since that time that has been expanded to the industrial mortgage loans to the pollution loans to the tourist loans, small business loans, venture capital loans, export support loans, OBIP loans; that is the total package as we know it today.

Now we have done an analysis, our research department finished it just before 3 o'clock, using the very latest statistics available. Since at the inception of the programme in 1967, as I said earlier, it designed specifically to meet the economic and the development needs of northern and eastern Ontario, I want to engage the committee and the minister for a few minutes in analysing what has taken place since that time.

On performance loans: In the north there were 101 loans; in the east there were 189 loans; and in the south there were 255 loans. If you break that down on a percentage basis, the north got 18.5 per cent, the east got 34.7 per cent and the south 46.8 per cent. In terms of actual dollars, the north got 16 per cent of the money, the east got 47 per cent of the money and the south got 37 per cent. I want to remind

you again that this was a programme that was specifically designed to meet the needs of slow-growth areas.

Since the inception of the industrial mortgage loans programme, the north got 78, the east got 53 and the south got 96. This means the north got 34.4 per cent of the industrial mortgage loans, the east got 23.4 per cent and the south got 42.3 per cent. In dollar terms, the north got 33 per cent, the east got 20 per cent and the south got 46 per cent of the actual dollars that were made available in industrial mortgage loans.

On the pollution loans, there were two authorized for the north, three for the east and 28 for the south. This means that in terms of pollution loans, the north got six per cent, the east got nine per cent and the south got 84 per cent.

In tourist loans, the north got 123 tourist loans or 49 per cent, the east got 39 for 15 per cent, and the south got 35 per cent. In dollar terms, the north got 48 per cent for tourist loans, the east got 11 per cent and the south got 40.5 per cent.

In small business loans, the north got 12 loans, which represented 5.2 per cent of the total; the east got 31 loans, which represented 13.4 per cent of the total; and the south got 189 loans, or 81.5 per cent of the total loans made under the small business programme within ODC.

In venture capital loans, there was one for the north, which is one per cent of the total; in the east there were 12, for 12.4 per cent; and for the south there were 84 venture capital loans, or 86.6 per cent. And about the same breakdown is applicable to the actual distribution of dollars for each of the three areas.

In the export support loans, the north got two for 1.4 per cent of the total, and 0.9 per cent of the money; the east got 17 export support loans, for 11.6 per cent of the loans and 12 per cent of the actual cash; the south got 127 export support loans, which represented 87 per cent of the total loans and 87 per cent of the dollars distributed under that particular segment.

Under the OBIP, the north got 33 loans, the east got 21, and the south got three; that was the only place in the entire programme where the north fared reasonably well.

In terms of the overall distribution of capital under all of the programmes that I have outlined, the north got 22 per cent of the loans, 25 per cent of the capital; the east got 23 per cent of the loans, 28 per cent of the capital; and the south got 55 per cent of all of the loans and 47 per cent of all of the dollars.

Now the minister in his short lead-off mentioned that you had a policy development committee that was designed and set up to establish priorities for all of the programmes within your ministry. Surely you have a sufficient number of people on your staff who have been monitoring programmes under NODC, EODC, and ODC over the past few years to indicate that the programme is falling far short of the mark in terms of its reason for being. It is quite obvious that under these programmes you are not only condoning what has happened by the centralization of industrial activity in the south, both in terms of heavy industry, manufacturing and commercial establishments, but you are actually encouraging a greater degree of industrial, commercial and general economic development in those areas where you are having an increasing number of problems.

Now just recently your colleague, the Minister of Treasury, Economics and Intergovernmental Affairs (Mr. White), as he is often wont to do, travelled throughout the province and throughout this great country of ours making great pronouncements of what Ontario, the "have" province, is prepared to do for other areas of Canada that are less fortunate. Nobody would quarrel with a minister of this government or any other government undertaking to help areas of Canada that are less fortunate and that need a helping hand. But I want to remind this minister, through you Mr. Chairman, that his colleague has been going throughout this great country of ours reminding people that as a result of the knowledge and experience gained as a result of the extraordinary concentration of industrial development around this great urban megalopolis, and in particular the Toronto-centred region, they had particular expertise in coming to grips with those problems and they were not only willing to lend a helping hand and give the benefit of their advice to other areas of Canada they were even willing and anxious to see that there was decentralization of industry throughout Canada and that they would be willing to share it with other jurisdictions.

Now, this is fine, this is commendable. But I want to remind the Minister of Treasury, Economics and Intergovernmental Affairs and this ministry, the Minister of Industry and Tourism, that their primary

responsibility is to the people in the Province of Ontario. It is all very well for the minister to get up and quote great figures of the amount of dollars that are being expended in these incentive programmes throughout the province, but when you have the Treasurer of the province saying: "We have too much development, we are willing to deal it to other areas of Canada;" and when we have a programme under the auspices of this ministry that further aggravates the concentration of industrial development in the south, I think that it is high time that this minister, this ministry, and your policy development committee and any other agencies or vehicles that you have, not only within this ministry but within this government, sat down and took another hard look at where you are going and at the kind of industrial strategy that the people in the Province of Ontario have wanted for far too long.

I think it is fair to say that a lot of the problems that are facing urban centres in the southern part of the province are the result of indiscriminate and uncontrolled economic development; in many, many cases, development based on resources that we have in such abundance. There seems to be a calculated effort on behalf of everybody to see that the labour component, the value-added component of that industrial activity, is located as far as is humanly possible from the source of those resources.

That trend, Mr. Minister, has got to change. I think that the result of the recent by-election in Stormont is an excellent example of the feeling and the attitude of people in that part of the province. I think it is a clear indication that those people are not prepared any longer to sit idly by and wait for the kind of promises that have been coming from this government for far too long.

The last data that was put out by ODC, covering the month of September, shows a loan in the amount of $600,000 to Campbell Manufacturing Co. Ltd. in Downsview. Is that because there is a slow growth area of Downsview? Consolidated Computer Inc. got $2 million. They are on 50 Gervais Dr. in Don Mills. Is Don Mills a slow growth area of Metropolitan Toronto? Executive Dictating Machines Ltd. of Brampton, $95,000. Is that the slow growth area of Brampton that the Premier (Mr. Davis) refers to every once in a while?

You can go on and on through all of these loans and see where the majority of the impact as a result of loans authorized through this ministry is doing absolutely nothing to rectify the imbalance in industrial development throughout the province. As a matter of fact, the reverse is true. It continues to aggravate the imbalance in regional economic development in the province.

I haven't got the figures that I would like to have for the eastern part of this province, but I want to guarantee you that the newly-seated member for Stormont will be developing this information over the next few weeks and reminding you of your responsibilities to the people in eastern Ontario, who need a shot in the arm so badly. And he will be doing that at the first opportunity made available to him.

Now the Design for Development programmes are fatally flawed in the Province of Ontario, beginning with the Toronto-centred region plan. I think that is obvious from what I have said about the failure of your programmes under ODC. I think it is accurate to say that the developmental programmes in eastern Ontario and northern Ontario have failed to meet the needs they were designed to meet way back in 1967.

Conditions in the north dictate our primary development concentration, and industrial location in its broadest sense is the key variable in any strategy; but through a mixture of incentives, joint ventures and Crown corporations, the industrial base of selected northern centres should and must be expanded and diversified.

I want to spend a little bit of time on the demographic information that is available on the north in general, just to highlight what I am trying to say. As a region, wherever you go it exhibits all of the standard evidence of underdevelopment. Apart from resource industries, it boasts few enterprises. Figures released by this ministry show that the south benefits overwhelmingly from new industrial starts. Of 161 new manufacturing plants established in 1973, the north received 14, the east received 31 and the balance went to southern Ontario. Of 293 plant expansions in 1973, there were only 16 in the north and the balance were in the south and in the east.

Secondly, the population figures show that areas in northern Ontario have, since the early Sixties, been experiencing a relative, and in some cases absolute, decline. In 1961 the population of northeastern Ontario was 8.8 per cent of the provincial total, while by 1966 it had dropped to 7.4 per cent of the provincial total. The continuance of this trend will result in the area containing only six per cent of the provincial total by 1990.

In 1966 the population of northwestern Ontario was 3.2 per cent, of the provincial total, but it too is declining. If the present trend continues, the northwest will have 2.5 per cent of the total population by 1990. A region experiencing this kind of out-migration is obviously not providing the jobs or opportunities fundamental to economic prosperity.

The most significant aspect of this decline is its nature. Statistics show that it is the young adults who tend to move away, leaving the area populated by children and older adults. Statistics show that it is the young adults who tend to move away leaving the area populated by children and older adults. In short, the most productive group in the labour force is declining and the standard of living of those who remain will tend to be lower as the tax base becomes smaller, all of which tends to conspire to lower the prospects for future growth.

Low participation rates document yet another phenomenon of the northern economy. Hidden unemployment creates further pressure for the out-migration of productive elements. Net out-migration places upward pressures on the salaries of the employed, as evidenced by the fact that wages and salaries in manufacturing here are generally higher—they are rather higher in the north than in the south.

Despite this bias, the uneven distribution of migration produces lower per capita income levels. This low per capita income acts to discourage industrial location in northern areas.

From this very sketchy outline of some of the indicators of economic well-being, it can be seen that the north is not faring well. I don't know, Mr. Minister, whether you are aware of activities undertaken recently by the northern Ontario caucus of the association of municipalities of Ontario, due to the leadership of Mayor Ronald A. Irwin of Sault Ste Marie, who polled most of the municipalities early in the year—and came up with a compendium of complaints—to see whether or not there were trends developing where there was a common interest, a common goal, or a common complaint if you will. He came up with a fairly accurate reflection of the problems of people in northern Ontario as seen through the eyes of municipal representatives.

It seems to me that it's worthwhile for me to go over a few of those in case the minister hasn't already heard of them. One of the categories I am going to mention, since it has specific bearing on economic development is a resolution that Hydro rates be made comparable to municipalities in southern Ontario. Another was that furnace oil rates be made comparable to municipalities in southern Ontario.

Further it was resolved that the federal and provincial governments provide assistance toward water and sewage systems and treatment plants that are a basic requirement for industry. Now this minister might argue that that is the responsibility and falls within the purview of yet another ministry, but I want to remind the minister that you are not going to attract industry to any under-serviced area in the Province of Ontario. You might argue that that's sort of a chicken-and-egg thing—whether or not you provide the industrial activity and the services will follow or whether you provide or assist under-serviced areas in the provision of the services to attract the industry. Really, it is no concern of mine how you do it, but the two are inseparable.

I am sure that during the minister's travels throughout the Province of Ontario for about six or seven weeks this summer and six or seven weeks last summer it was made more than a little clear to him that there are many areas in eastern Ontario and many areas in northern Ontario where a basic and a fundamental concern is inability to attract the kind of industry they would aspire to because of a lack of services.

You have agreements with the city of Cornwall, in co-operation with the federal Department of Regional Economic Expansion. You have another one up in the city of Thunder Bay to provide those services of which the northern caucus of the Ontario Municipal Association speaks.

They went on to say further that industrial and regional development be encouraged in northern Ontario by the following means:

> Federal-provincial financial assistance towards industrial parkland acquisition and development. Federal and provincial emphasis on manufacturing and processing, rather than export of raw materials. Allow municipalities to provide tax-free periods on property during the initial stage of development. Promotion of industries of high technological content. Construct the trans-Canada pipeline through northern Ontario.

That's the one, I suppose, that comes through the United States now. There's an application before the National Energy Board to run it from Samia down through to Montreal. We think that should be in northern Ontario, an all-Canadian route.

They suggest a permanent secretariat for regional development in northern Ontario.

Just in connection with that one particular recommendation, I want to tell you why the people in northern Ontario feel so strongly about that. I wasn't aware until a few hours ago that when an entrepreneur had an idea, had a plan, and submitted it to the Northern Ontario Development Corp., before the board of directors even get to see or are made aware of that plan, it comes to a management board of the Northern Ontario Development Corp.; which doesn't happen to be the directors of the Northern Ontario Development Corp., It's a screening or loans committee made up of people who reside down here in Toronto. I don't know whether it's in the catacombs of the Frost Building or where it is, but it's someplace down in Toronto.

Mr. R. S. Smith (Nipissing): It's a part of ODC.

Mr. Stokes: It's a part of ODC, but there's nobody on it from northern Ontario. It's an interministerial committee.

I'm told there was a loan application made by a constituent of mine who carries on business in my constituency, and it was turned down without the board of directors of the Northern Development Corp. ever knowing of the existence of the application. That wasn't the commitment that was made to us away back when the NODC was set up and when EODC was set up. I was given to understand that those people would have complete autonomy. The final decision would be made by that board, but there would be some consultation with the experts down here in Toronto and they would use their expert assistance and advice in reaching a decision. But the final decision would be made by that board.

Mr. R. S. Smith: Experts rule first.

Mr. Stokes: It's really a sad state of affairs when a board of directors, set up by this ministry, isn't even made aware of all of the loan applications. They're screened before they even get to see them. I think this has got to stop.

If you're going to give northern boards the kind of autonomy that was promised them, at least give them an opportunity to see all of the loan applications that are being made, whether it be eastern Ontario or whether it be northern Ontario. At least when I approach a member of the board of directors of NODC and when I get a letter saying it has been turned down, I think you should have the courtesy to so inform your appointed members on the board of directors that they will at least be able to explain to me why it was turned down.

They weren't even aware of the application. It's very embarrassing for your appointed boards and the members of those boards when they aren't even aware of an application that they presumably turned down. This is not the way you treat the public, and it isn't the way you treat your board of directors. If you want their co-operation you're going to have to come clean and give them the kind of autonomy that's necessary in order for them to function properly and constructively.

They go on further:

> A regulatory agency within the secretariat to ensure long-range conservation and skilful exploitation of our non-renewable resources.

That, of course, is our mineral wealth.

These people aren't wild-eyed radicals. They are representatives of northern municipalities. They go so far as to say:

> A Crown corporation should be established for direct public investment in ventures in which investors, for one reason or another, will not enter. They want designated special areas and a vehicle for establishing the proper infrastructure for the location of industrial parks. They want incentives to the residents of northern Ontario and a graduated tax system, declining as one moves into the designated area. They want disincentives for the wealthier parts of the province.

Which is just the reverse of what you are doing through your existing programmes.

They also want:

> Selective transport and freight rate subsidies, which should be co-ordinated with provincial carriers;
>
> The development of the growth centre complex;
>
> Direct government funding for municipalities to develop cultural and social dimensions;
>
> Co-ordinated air transport and communication systems; and
>
> Wherever incentive grants are made to corporations, equity must be taken by the people of Canada, with no grants to foreign-owned companies.

As I say, this isn't some wild-eyed group. This is a group of people who have been elected to represent their municipalities and have come together with a sense of common purpose to improve their lot in areas of the north.

I want to talk with the minister for a moment or two about what will happen if he continues on the present road. With the mass emigration from the rural centres in the Province of Ontario to two or three major urban centres, what will be the consequences?

A century ago, more than three-quarters of our people lived in rural areas. Now, nearly 80 per cent dwell in cities. The number of farms in Canada dwindled from 575,000 in 1956 to 366,000 by 1971. Our annual rate of urbanization is more rapid than in any other industrialized country. Much of the countryside that remains is becoming a sort of ghetto.

Governments, urban dwellers, and even many rural people themselves have adopted a fatalistic outlook to these statistics. The end is inevitable, they think, so let's hurry it along.

We say that is wrong. If Canada is to survive, we must save our countryside and our agricultural land. This is neither an idle nor an emotional warning. The preservation of rural Canada is as essential to the harmony of our lives as is the conservation of the blue whale or the whooping crane.

City and country are a part of a whole. Just as this piece of paper I am reading from needs white space to lend emphasis to the words, so urban Canada needs the clean, quiet relief of rural Canada; a place to satisfy the human yearning for a different quality of life, for a relief from the sometimes unbearable pressures of the city.

Many cities of the world are already sick beyond cure. In Canada we still have time, but only a little time, to stop crowding too many people into too little space, to ward off the poverty, crime, drug abuse, pollution, traffic chaos that stem from reckless urban growth. But our rural wasteland with ghost towns, no young people, no services or amenities is of no value to anyone. What's more, the flight from the countryside represents a serious social cost to Canada for which we all pay.

A chap by the name of W. P. Janssen, who is the director of the Manitoba Department of Agriculture's planning secretariat, explained in a recent research paper. He says:

> A farm family moves to the city; that is one home deserted, a new one needed. Also left behind are rural school desks, now unused; a hospital bed unoccupied; a telephone system with one less subscriber; a hydro system with one less user; one less family buying from the rural stores.
>
> In the city the opposite takes place. The services are not necessarily better but they are more expensive and all of them—schooling, health services, police, firemen, utilities, housing, land—are necessary for newcomers.

What does it cost?

Mr. Janssen calculates that if 10,000 farmers leave rural Manitoba, at least 4,000 non-farm rural jobs are also lost. If those 14,000 families move to Winnipeg, it will increase the city's population by about 56,000 and its operating costs by approximately $55 million per year. If the new arrivals pay the average per capita tax they will contribute only $6 million to the city revenue. The remainder of the increase must be borne by other Winnipegers.

Much the same formula could be applied to any metropolitan centre in Canada if society and government continue to condone the flight to the city or at least seem helpless in reversing the trend.

What is behind this rural exodus? Part of the problem in rural areas is not so much unemployment as underemployment. Work is seasonal or subject to wide fluctuation, wages are low so that when work is available, it is not always enough to raise a family above the poverty line. Meanwhile, agriculture has become industrialized, requiring heavy investments in machinery, fertilizer, livestock and land.

There are fewer doctors per person out in the country, fewer hospitals and less bed space. In the mid-Sixties, when 30 per cent of Canada's population lived in rural areas, only 12 per cent of its doctors, 18 per cent of its nurses and less than four per cent of its psychiatrists lived there. Maybe that says something for rural life.

The average dentist population ratio in Canada is one for every 2,735 people, but in some rural areas in Ontario the ratio is one for every 5,000. In Ontario many rural and outport areas are completely without dental services. I know something of that, since we haven't had a dentist in my own home town, or our neighbouring town, or over six months.

Moreover, during the last few decades country communities have fallen far behind in acquiring the luxuries most city people deem necessary. Further rural school boards cannot pay top salaries. All of this, Mr. Minister is the result of the lack of an industrial base to provide all the services so badly needed in areas of slow growth and underdevelopment, both in eastern and northern Ontario.

I want, for a few minutes, to talk to—

Mr. Sargent: We only have five hours.

Mr. Stokes: Yes; well you spoke your 10 minutes worth, but you had nothing to say and you sat down.

Mr. Sargent: I spoke for 6½ minutes.

Mr. Stokes: You have more to say when you are sitting down than when you are standing up.

Mr. Chairman: Order please.

Mr. R. S. Smith: This stuff on dentistry comes in the next estimates.

Mr. Stokes: I am saying what are the consequences of the lack of an industrial strategy. If you don't understand that, that's not my problem, it's yours.

Mr. Chairman: Will the hon. member return to the estimates?

Mr. Stokes: Thank you.

Where does the minister get his information to arrive at decisions taken within this ministry? He has a policy development committee that has or is about to make certain decisions based on certain conventional wisdoms, certain data and statistics gathered by his advisers here in Toronto and those who work in the regional offices.

Is the minister satisfied he is getting the right information—the right kind of input for his decisions? Obviously the results seem to indicate that the kind of information he is using is false, based on a false premise. Those assumptions are no longer valid. Maybe that's the reason the programmes aren't having the kind of effect we would all like to see them have right throughout the province.

Has the minister ever considered setting up resources development regional resource centres throughout the Province of Ontario? I would like to ask the minister if he wouldn't undertake to set up one of those centres in northwestern Ontario, one in northeastern Ontario and one in eastern Ontario. Life is becoming much more complex than it was even five years ago and assumptions made on data available at that time are no longer valid.

I am sure the minister himself realizes this, coming from Ottawa and representing a slow-growth area of the province. I am not saying the city of Ottawa itself is underprivileged, but there are many areas in eastern Ontario where conventional wisdom has it that it's an area with marginal farmland and a moderate potential for tourism; and that maybe we shouldn't aspire to much for eastern Ontario and let it go at that.

It seems to me you can no longer go along making those invalid assumptions. I am sure the minister feels just as strongly as do all members representing ridings in eastern Ontario that they can aspire to much bigger and better things than they enjoy at present.

During the estimates of the Ministry of Natural Resources, which we completed before the summer break, I engaged some of your colleagues and the Minister of Natural Resources (Mr. Bernier) in some of these very things. I am not going to rehash them here, because there are people in the Liberal Party who seem to be more interested in getting out of here than sitting down and talking about the issues. They might criticize me.

Mr. Sargent: The private member's hour is on in 50 minutes.

Mr. Stokes: Well, I'll be finished by then.

Mr. Sargent: I don't think so.

Mr. J. H. Jessiman (Fort William): We have some things to say too. The other side has not a monopoly on suggestions.

Mr. Stokes: That's fine.

Mr. Sargent: Why don't you say something intelligent?

Mr. Stokes: You wouldn't understand it if I did. I'm sure that—

Hon. S. B. Handleman (Minister without Portfolio): Try it.

Mr. Stokes: I beg your pardon?

Mr. Handleman: Try it.

Mr. Chairman: Order please. The hon. member for Thunder Bay has the floor.

Mr. Stokes: Thank you. I'm sure many members representing ridings from eastern Ontario have questioned the wisdom of decisions that were based on available data—so-called intelligent data. I am questioning that; because in the area of the province that I know best a lot of the conventional wisdom was that we really didn't have many resources up there, or rather as many as we thought we had. It wasn't until the last few months, through certain initiatives taken, that we are now for the first time able to aspire to a greater utilization of the re-

sources we have in such abundance in that area of the province.

And I'm sure the same assumptions could be valid in northeastern Ontario if you had this kind of capacity to take a realistic look at natural and human resources down there and use that as a basis for an industrial strategy—something that is almost non-existent at the present time.

I also want to ask the minister—since he has got some new personnel within his ministry—whether or not he is going to undertake some different direction with regard to the promotion of tourism in the Province of Ontario. There are certain dollars that have been made available to these reconstructed councils throughout the province. While it may be unfair to judge them so early along the way, I find that some of the information they are putting out leaves a lot to be desired.

I was a bit taken aback when I was looking at a resume done recently by a council in this province. They were discussing the attributes of a town with a population of over 2,000—and the only nice thing they could say about it was that it had a garbage dump. I could show you the publication, but I wouldn't want to embarrass the people responsible for it. So I'm wondering how you see the promotion of the tourist industry in the Province of Ontario.

As I speak to my colleagues here who go to a new part of the province for the first time, they are literally amazed at the actual beauty, the breathtaking beauty of many of the spots that we have in the Province of Ontario that are completely unknown to most Ontario residents.

I get to see a lot of people from the south who venture up north for the first time and they say that the beauty along the north shore of Lake Superior between Sault Ste. Marie and Thunder Bay is just absolutely breathtaking. They were unaware that we had these kind of values right within our borders. I'm just wondering—sure you are spending the dollars on promotion—but I am wondering if you are spending it in the right places. We have tended to spend most of it outside of our borders to attract dollars from other jurisdictions. I think maybe you could be doing that, but you could be doing more, too. I think you should be spending more money in the Province of Ontario to tell Ontarians about Ontario; because as recently as this morning, I overheard a conversation between two friends of mine and one said to the other: "What kind of a weekend did you have? I thought you said you were coming up north?" I interrupted and said: "Where's north?" He said: "Up around Orillia."

Mr. Chairman: It's a great place.

Mr. Stokes: Yes, it's a great place; but it isn't northern Ontario, let's face it.

Mr. Jessiman: Anything north of Bloor St. is north to Toronto people.

Mr. Stokes: To a Torontonian anything north of Markham or somewhere like that is north. I don't think I am being hypercritical when I say that a good many of the province's eight million people—of which over seven million live south of the French River —haven't a clue as to the tremendous beauty that we have in the Province of Ontario or the tremendous tourist and recreational potential that we have literally on our doorsteps. We must make people aware of it.

I suppose it is awfully easy for a member of the opposition to stand here and be critical. I don't like to be critical. I like to be positive about these things, and I hope the minister will accept the remarks I have tried to make in the spirit in which they are given. I hope as a result of this dialogue and this exchange of ideas we will come up with better programmes, programmes on which I will be able to explain the rationale as easily as you will.

The last area I want to discuss briefly with the minister was a commitment that was made when we reviewed these estimates last year. He promised me he would busy himself to see whether they couldn't institute some kind of programme to assist native peoples in developing their skills in handicrafts, making available to them the raw materials, such as hides, through the efforts of the Ministry of Natural Resources. Nothing has happened in the interim. Those problems are still with our native people.

I know of one group of first citizens who have been buying handicrafts from native people in the far north. They have a surplus of over $20,000 worth of crafts, simply because they don't have an adequate marketing outlet. We are trying to develop something in the north right now, through the Ministry of Natural Resources, whereby we might have some kind of co-operation at Old Fort William, which catered to well over 70,000 people this year—and hopefully will almost double that next year—and assist the native people in assisting themselves. These are the kinds of things I think we must address ourselves to, Mr. Minister. I have many more

things I would like to talk about, and I suppose some of them we might cover during the various estimates; but I hope the minister will accept my remarks in the spirit in which they are given and, hopefully, answer some of them along the way.

Mr. Chairman: Does the hon. minister wish to respond?

Hon. Mr. Bennett: Very briefly, Mr. Chairman. May I first of all refer to the remarks of the member for Grey-Bruce and indicate clearly to him that, if you recall, after the estimates of last year I sent a letter to both the Liberal Party and the NDP critics of Industry and Tourism, saying to them that since time had elapsed I was prepared to sit down at any given time with them and review in detail my estimates and the programmes of the ministry. May I also say I went as far as to send letters out to the members asking if they had ideas or suggestions that would upgrade or improve the programmes.

Mr. Sargent: You know what happened to the requests for loans? Nothing happened. How was I going to sit down and talk to you? A bunch of garbage!

Mr. Chairman: Order please.

Hon. Mr. Bennett: One question the member asked was: "Who announces the loan?" The prerogative really rests between the minister and the member for the constituency. If the members go back and check their files, they will see that upon the order in council being approved by the Lieutenant Governor, I have immediately informed each member of the loans to be made in his particular constituency.

Mr. Sargent: That is not true.

Mr. Stokes: How would you know? You said you never got one.

Mr. Sargent: I never got one? No, I didn't.

Hon. Mr. Bennett: I can assure the member as well, Mr. Chairman, that there are occasions when for some reason or another, the press releases go out without the minister's name and only the name of the local member appears—and that does not only apply in the constituencies represented by members of the government.

Some remarks were made about the tourist operators being upset about the development plan under the tourist loans programme. May I say that in my annual meetings and my other meetings during the year with tourist operators and their associations, that has not been the expression of opinion that has been given to my ministry. I acknowledge the fact that the way financing goes in this world, some of those who can arrange financing on their own would not receive quite as preferred a rate as we are prepared to give to some when we are trying to encourage, as the member for Thunder Bay has said, some development in that part of the province.

I will touch on Consolidated Computer and Minaki as we go through the other items.

McDonnell-Douglas, in terms of its operation with the Urban Transportation Development Corp. does not come directly under my estimates; the only comment I make—

Mr. Sargent: What is the minister doing so much talking about it for then?

Hon. Mr. Bennett: —is that at no time did we ever possess the licensing or manufacturing rights in the United States. There had been an agreement and a clause within the agreement from the day we signed with Krauss-Maffei, which indicated very clearly that they could establish an agency there and we would draw a percentage of the licensing fees and commissions that they would draw from the manufacturing and further development of that system in the United States.

Mr. Sargent: What percentage?

Hon. Mr. Bennett: It is spelled out very clearly in the agreement, Mr. Chairman. It varies, depending upon what portion of the operation we're talking about—development programmes, sales or components. If the member wishes, he can request that information from the Minister of Transportation and Communications and, through him, from Mr. Foley, who is in charge.

Mr. Sargent: Doesn't the minister know?

Hon. Mr. Bennett: Mr. Chairman, I obviously wouldn't be able to quote figures because it's a very detailed statement, and I do not intend to do that here today.

May I say to the member for Thunder Bay that I'm sorry I ran into some difficulties in my travels this summer. I thought the member had taken care of all the catastrophies that might confront one. But since we did not have the opportunity to visit some communities I have made it very clear to the member that we are prepared to return with him at some date in the future to visit the communities that we missed. I've also ex-

pressed my regrets to the communities that we missed on our way through.

I thank the member for having taken care of the people we were hoping to have as our guests at that time and for making sure that some of the questions were answered, with the assistance, I believe, of some of the people from the Ministry of Industry and Tourism.

The member asked if we work with the Ministry of Treasury, Economics and Intergovernmental Affairs. In geographic terms, there is only one small area in the southwestern part of Ontario where our boundaries do not match those of the Ministry of Treasury, Economics and Intergovernmental Affairs. However, our boundaries do not altogether match those of the Ministry of Natural Resources.

We work very closely with TEIGA and with Natural Resources to try to develop the conditions and the understanding in the areas of the province where we are trying to stimulate some new economic activity. We try to co-ordinate our programmes. May I say that in attempting to do that, we also take the regional governments into our confidence for consideration.

We have the Ontario Economic Development Corp., ODC and NODC, and while it exists, sir, may I say that it depends to a great exent on the initiative of industrialists to make use of the programme. We do not see the Ontario Development Corp. as being the only answer to economic development in any part of our province. It is one part of a scheme that wil help develop this province for us.

I am sure we could go on at great length about the difference between northern Ontario, southern Ontario and eastern Ontario. The figures the member for Thunder Bay has quoted are, by and large, correct. But I think if you would sit and look at some of the classifications of loans, you certainly cannot expect an export support loan to be what we would classify a development loan. An export support loan obviously is to assist industry in any part of the province to find export sales and to ensure them sufficient working funds while the shipments are en route to the export market. So I don't think we should look at the export loan as being what we would classify as a development loan, but as a security loan that gives them the opportunity to continue to develop new markets around the world.

Certainly the pollution loan can be looked at in a rather impartial sort of way because it should apply regardless of whether we're in the northern part of the province, the eastern part or the southern part. As we come to the development corporation, I think we can take them group by group and we will discuss them at further length if you wish.

You mentioned the development in southern Ontario. It takes me back just a week or so when I was reading the Toronto Star in relationship to some remarks by the industrial commissioner for the Metropolitan Toronto area. In his very open remarks to his council seeking funds, he implied that his greatest competition today was the Ministry of Industry and Tourism, because of our desire to move industry away from the "golden horseshoe."

That has been our desire. The Ontario Business Incentive Programme and various others have been established—

Mr. Stokes: That hasn't been the result. It might have been your desire.

Hon. Mr. Bennett: Mr. Chairman, very clearly they have been established to try and curb development. We have loaded the programme; we have put on special terms and conditions for people in this part of the province, as versus your part of the province, and the part that I happen to represent as well.

May I just correct any misunderstanding that might have existed with the remark about Campbell Manufacturing in Downsview? It was an export support loan and so really didn't come into the development. Consolidated Computer—I believe, if the hon. member would read down to the second and third lines, he would see that the plant location is not at Don Mills, but in the city of Ottawa on Lancaster Rd. If he would go on down to Executive Dictating Machine Ltd. in Brampton, he'll see that it's a venture capital loan—it's to assist them to further develop their product as a realistic one for sale on the open market.

One other question raised by the hon. member for Thunder Bay was about applications for NODC being rejected by a management committee here at Queen's Park or at Toronto. The committee will do the preliminary review—and this has gone on for years—to make sure that the application qualifies on the terms and conditions set for the loan programmes. Regardless of the decision that's arrived at by the management committee, what they are suggesting should take place is reported to the board of directors.

May I further draw to the hon. member's attention that the final decision does not

rest with NODC, ODC or EODC. The final decision on the application rests with the minister and the cabinet. The boards advise from the point of view of the areas that they're best versed in, as to whether the application qualifies and if the industry is going to be of some advantage to them.

I just want to say again that the directors should be aware of every application that has been rejected by management committee. And if they feel that the reasons for rejection are not, in their opinion, justified, they can ask for the file to be brought forward for their review and a decision made by the board and a recommendation to myself.

Mr. Stokes: How long does that process take?

Hon. Mr. Bennett: Mr. Chairman, it's very difficult to tell you how long it takes because a great deal of it goes right back to the applicant. He and his lawyers, and his auditors quite often, are required to submit to the board the details of their company, the shareholders and all the other pertinent information that would allow them to make a realistic decision.

I can tell the House that often applicants take months and months and months to get back to us. But we constantly follow each application up on a monthly basis to inform them that the file is still active within the development corporation, and that we are still waiting for A, B and C information to allow us to take the file forward for a final decision or recommendation from the board to the minister.

You asked if we had any input from the field and if I was satisfied with the information and the results of the information that we receive. We rely on a great number of people for input to the ministry. We rely on our field staff, industrial officers, tourist officers and loan corporation officers. We also rely on the industrial commissioner or people at the municipal level for input to the ministry and on various other groups, including the private sector; for quite often related material that we require to come to some determination as to what is going on in a certain part of the province can be of great assistance to us.

Yes, I am satisfied with the information we are getting. I suppose it could always improve. That is why we continue to try to expand our field offices and put better qualified people into those positions throughout the province.

The member asked about a resource development centre. I would like to suggest to him that under the Resources Development situation there already exists within the Ministry of Natural Resources that very operation. I would think that if you feel there is some lack of understanding of the operation—and I again repeat that we work very closely with the Ministry of Natural Resources—but maybe we should sit down and review it further with them to see where you believe we can have a greater co-ordination of thought and effort.

Sir, I will deal with the items related to tourism and its direction with the travel associations as we proceed to that item. I think one concluding remark is that in northern Ontario we have spent a great deal of time and effort in our advertising programmes trying to zero in on the very wonderful and beautiful places of northern Ontario. I cannot disagree with the member for Thunder Bay that when one travels along the shore of Lake Superior one is dazzled by its beauty and its charm. I am often amazed as to why it hasn't been exploited to a further extent than it has by people in the tourist field and tourists themselves.

On vote 2001:

Mr. Chairman: We will take vote 2001, items 1 and 2, collectively. The member for Nipissing.

Mr. R. S. Smith: Mr. Chairman, I have a few questions I would like to ask. I suppose it should come under strategic planning, but it is to do with the advertising programme of the ministry itself and the development of a cohesive approach to each specific area of the province.

I was amazed this summer when I saw an ad in the local newspaper with about eight or 10 pictures in it. It said, "All these people are as close as your telephone." I picked up the telephone, phoned and asked for one fellow, and they had never heard of him. I asked for another fellow whose picture was in this ad, and they had never heard of him either. Then I asked, "Where are they?" The girl said, "I will have to find out. What branch are they in?" I said they belonged to NODC and so she went scurrying around in the Industry and Tourism office in North Bay and came back on the phone and said they were in Timmins. I said, "They are as close as your telephone."

Timmins is 220 miles away. If you were advertising for Bell telephone that might have been all right, but you were advertising for your ministry. Actually, the advertisement was misleading because we don't

have those people in our municipality nor do we have them in our area. The NODC office in Timmins does service North Bay and tries to do a fairly good job with the people they have. But they do a poor job, in fact, because they don't have the people to do the job.

Secondly, just so we can clear this one point up at the same time, we are 80 miles from Sudbury where you do have another office and yet we are not serviced by that office. When we phone there we are told to go to Timmins. Many of the things that could be done by people in industry on a short trip of 80 miles have to be done on a trip of 220 miles. It is just a ridiculous setup.

First of all, what we need is an officer of NODC in your Industry and Tourism office in our area. I can't for the life of me understand why those people can't get along well enough at least to know each person is in the same ministry. It is very difficult to understand.

The NODC people come into North Bay to meet with prospective clients. It is done on an ad hoc basis. You never know when they are coming and you can't find out. You phone them and they say, "We might be there in two or three weeks but we haven't got a schedule." Through the office in Timmins I have tried and tried to say to them: "Set three days a month when you are going to be in North Bay so people will know." But it has been impossible to get through to them.

I submit to the minister that the organization of the ministry really needs to be looked at at that level. That is the level on which they are dealing with people, and with prospective clients who may or may not develop industry in our area.

I would ask that our area be switched to Sudbury and the development officer be placed in the Ministry of Industry and Tourism office in North Bay, where he should be. Or if he is not going to be there on a permanent basis, at least when he comes he should use those offices and not the Northern Affairs office, which he does use – which most people can't understand—or a hotel room, to meet with prospective clients. I think that day and age should be over.

I would ask the minister's comments on this, and on why these continually false ads appeared for some months after the matter was brought to the attention of both the ministry in North Bay and to the NODC itself.

Hon. Mr. Bennett: Mr. Chairman, the advertising programme the member refers to is one we ran to try and inform people of the personnel we employed in various regions of the province.

Mr. R. S. Smith: That wasn't said in the ad.

Hon. Mr. Bennett: I would have to get a copy of the ad. To try and speak specifically of the one the member is referring to is not at this moment within my power.

I admit it might be very proper to put a loan officer in every one of our operations across the province. We're challenged with trying to retain and maintain employment within the realistic limits of the budget allocation.

The point the member raised about the—

Mr. Sargent: They have them in Hong Kong and all around the world, why not Ontario?

Hon. Mr. Bennett: Mr. Chairman, everything has priorities. You try to rate them accordingly and put people in areas that will service the province. I do not believe that Timmins and North Bay are that far apart that there cannot be a fair degree of communication. I accept the hon. member's recommendation that our people should establish specific dates when they are going to be present in a particular community in the region in which they are working. I am prepared to accept that, and go to our people in the development corporation to see how feasible it is and how quickly it could be implemented.

Mr. R. S. Smith: They should also use your own offices in that area.

Hon. Mr. Bennett: Fair criticism—accepted. On the relationship I can only report to the House that, as a result of comments that have been made by members to me over the last year or so I was concerned that there was a lack of good understanding between various areas of the ministry. About six weeks ago I brought all field personnel into Toronto and very clearly indicated to them that this position was to change, and that we were going to have a working relationship making maximum use of our personnel and our offices. I hope the hon. member will see within the next short period of time—when I say short period of time I am referring to weeks—a change in attitude and a better use of the facilities we have in the field. As for the dates of adver-

tising our presence in the community, we will certainly take it under advisement.

Mr. R. S. Smith: The only other question I have in regard to that matter is as to why it could not be arranged that we might be serviced from the Sudbury office rather than the Timmins office, so that people can go to an office within 80 miles in an hour and a quarter's drive rather than a four or five-hour drive. I think this makes a major difference.

The other point I would like to make is the slowness of dealing with applications. I know this was brought up by the previous speaker, the member for Thunder Bay, but it has been my experience that by the time a person gets his first meeting with an officer and his approval goes through, it has had to pass first through the officer who he meets with, who he must provide with all the information. Then it comes down to Toronto to the management level committee where they go over it and decide whether or not the first contact officer was right in accepting the application at all. It then goes back to NODC where a decision is made again, based on the recommendations of the management level committee. It goes from NODC to ODC, which then brings it to the minister. It then goes to the cabinet and is finally approved.

After it gets through all those steps, it has taken nothing less than four to six months. If you are dealing in some areas, this may be fine. But if you are dealing in the areas of a straight loan, where there usually is urgency—and where other agencies, such as IDB, are able to give an answer within three to four weeks—there is no real reason why any agency that is in the business of lending money should take four to six months to make a decision.

Mr. Chairman: The hon. member for Thunder Bay.

Mr. R. S. Smith: I would like the minister to reply.

Mr. Chairman: I am sorry.

Hon. Mr. Bennett: Mr. Chairman, I am prepared to look into the use of the Sudbury office. I am at this moment not clear why we selected Timmins over Sudbury, but I will certainly look into it and find out.

I think I have already explained the slowness of applications. We have offered all the advice and assistance that we could possibly give to our personnel; maybe we do not have enough of them in the field. But their real function is to try to assist the man in completing his application, so that all the details required for a complete review of the application are present at the time it is submitted.

One step you mentioned is not correct. ODC sets policy, which is interpreted by the EODC board and the NODC board. But an application that goes through the board of directors of NODC does not have to be referred to ODC for approval. Once the NODC board recommends an application for approval, it comes to the minister and cabinet.

Mr. R. S. Smith: I didn't mean it came back to ODC for approval. I meant that it came back to ODC and then to you; it was just a passing through. But there are four or five levels or steps, and I think that is far too many for a lending agency. It may be all right for a granting agency or for venture capital, or for some of the other types of programmes but for those programmes that are basically the lending of money for consideration or at a rate of interest, there is no other institution that takes as long as this does. The IDB is perhaps in a little different business, because they charge a higher interest rate, but they do give an answer in three to four weeks on anything up to $50,000—and above that they give an answer in eight weeks.

Mr. Chairman: The hon. member for Thunder Bay.

Mr. Stokes: I just want to follow up on that very briefly. I want to make it quite clear to the minister that it is possible under the present setup for a person to make application for a loan and be turned down without the board of directors ever having known about the application.

Hon. Mr. Bennett: If the member could give me some specific examples, I will be glad to look into them. That is not the procedure that is laid down by the government.

Mr. Stokes: I have one right here.

Mr. Roy: Good for you.

Hon. Mr. Bennett: Do you want to give it to me?

Mr. Stokes: Yes, I just happen to have it.

Hon. Mr. Bennett: That is good.

Mr. Stokes: I have another question on this vote. I notice for strategic planning you

spent $97,000 last year; and this year you are asking for $231,000. Now, the minister made some kind of mention of that in his opening remarks. I don't know whether that is reflected in the increase you are requesting. You are asking for a sizable amount; more than doubling of the amount of that strategic planning. What specifically are you doing this year that you weren't doing last year? And what do you hope to achieve by it?

Hon. Mr. Bennett: First of all, Mr. Chairman, we have gone from $97,000 a year ago to $231,000 this year.

Mr. Sargent: On a point of order, Mr. Chairman. Mr. Minister, last year you did not have a reference to any $97,000. It wasn't in the estimates at all last year. If you look at the 1973-1974 estimates, there is no reference whatsoever to strategic planning. No item whatsoever. It was not in the estimates last year.

Hon. Mr. Bennett: Mr. Chairman, I think if the member looks, he'll find that figure was included last year in the total sum for the main office operation.

Mr. Sargent: The 1973-1974 main office last year called for salaries and wages, employees benefits, transportation and communications, services, supplies, and equipment —but there is no reference at all to strategic planning for $97,000.

Hon. Mr. Bennett: It was not broken down last year, Mr. Chairman, because it was brought in as a new operation.

Mr. Sargent: Then why did you put it in here as showing in 1973-1974?

Mr. Chairman: Order please.

Mr. Sargent: That is wrong; completely wrong. It is shown on page R48 that you have a 1973-1974 estimate of $97,000; which you don't have.

Mr. Roy: We went all through this.

Mr. Sargent: We went all through the whole piece. We are just starting. On the next item you're out $1 million on one line. So what's going on, Mr. Minister?

Hon. Mr. Bennett: Mr. Chairman, we had reallocation of funds last year after the reorganization of the ministry.

Mr. Sargent: I don't care about that. We have estimates in front of us—$97,000 in 1973-1974—but it was not in the estimates last year.

Mr. Chairman: Will the hon. member for Grey-Bruce let the hon. minister reply, please?

Hon. Mr. Bennett: After the reorganization, Mr. Chairman, there were breakdowns which specifically indicated the various sections in the central office. Strategic planning was one of them that came about as a result of reorganization.

Mr. Sargent: It is not shown in the estimates last year.

Hon. Mr. Bennett: There was $97,000 in our overall funds in the central office to cover that particular operation. The member for Thunder Bay, I believe, was asking the question—

Mr. Sargent: On a point of order, where is it shown last year in the estimates?

Mr. Chairman: The Chair rules that that is not a point of order. Will the minister continue?

Mr. Sargent: I challenge your ruling. This man is giving us false information here. It's not in the estimates of last year, and he says it is here.

Mr. Chairman: Order please. The hon. member shall not or should not indicate that the minister is giving false information.

Mr. Sargent: Well, someone is giving it to us, Mr. Chairman. Someone is giving it to us. Can't you read? Get your book out and see it. It's not shown there. If you want to play around with $97,000 on this vote, and another $ million on the next estimate—what is going on? Are we crazy or a bunch of boobs?

Mr. R. G. Eaton (Middlesex South): You are.

Mr. Roy: Well, read your estimates.

Mr. Chairman: Will the hon. member give the minister a chance to reply?

Hon. Mr. Bennett: Mr. Chairman, I think I've already covered the item that the member for Grey-Bruce is referring to. Last year our estimate for central office was $390,000; $97,000 of it came about as the result of reorganization and the strategic planning being brought in.

To specificially answer the question raised by the member for Thunder Bay on the—

Mr. Sargent: There is your estimate last year—right there. Now, where is it shown? Read it.

Mr. Chairman: The member will resume his seat. Order please.

Mr. Sargent: What kind of nonsense is this; 97,000 bucks is $97,000.

Mr. Chairman: Order please. The member will resume his seat.

Mr. Sargent: It's not in the book and he's making a farce of the whole thing.

Hon. Mr. Bennett: To answer the question of the member for Thunder Bay, the development of the policy proposed for consideration by the ministry—

Mr. Sargent: What is your ruling on this, Mr. Chairman? It's not in the book. Now, how can you give false information to these estimates? If you're going to go this way, you might as well give the whole damn thing up and forget about it.

Mr. Chairman: I was listening for the minister to complete his explanation—

Mr. Sargent: He has no explanation.

Mr. Chairman: —and if we all listen, why perhaps we'll learn something.

Mr. R. S. Smith: He has no explanation.

Hon. Mr. Bennett: My explanation of the central office has been completed, yes. In the preparation of estimates we showed the figure of $390,000, which takes into account an allocation of funds for strategic planning which came about—

Mr. Sargent: Where is it shown?

Hon. Mr. Bennett: Just hold on a minute. At the time we dealt with estimates last year, the reorganization was not a finalized position of the ministry, it still had to have Management Board approval, but provisions of funds within the allocation were being allowed for strategic planning.

Mr. Sargent: Well, then you can't really believe these estimates then. You can't believe them.

Hon. Mr. Bennett: You certainly can, Mr. Chairman.

Mr. Chairman: Order.

Mr. Roy: Where do you have the item?

Mr. Chairman: The minister has answered the question, I assume.

Mr. Roy: It's not there.

Mr. Chairman: If the member is not satisfied, I'm sorry but he will have to speak with the minister after.

Interjections by hon. members.

Mr. Sargent: What good is that book?

Mr. R. S. Smith: That is a stupid rule.

Mr. Chairman: We're not going to debate this. The minister has answered the question, to the best of his ability.

Mr. Sargent: Well I am sorry, but I'm telling you your estimates are all wrong.

Mr. B. Newman: (Windsor-Walkerville): It is not in.

Mr. Chairman: The minister will proceed.

Hon. Mr. Bennett: In answer to the member for Thunder Bay regarding strategic planning, we have employed extra people. We have moved some away from other divisions of the ministry into one central location so that we can try and truly look at the long range strategic planning of the ministry and what we're trying to accomplish. And as a result of it, we have increased the personnel by two and we have the overall cost of it. It will now be $231,000. We have an increased allocation there, $50,000 for anticipated outside consulting studies that will be required by the strategic planning branch in referring to items specifically referred from other branches of the ministry.

Mr. Stokes: So that's $50,000 for consulting and two employees. That's a pretty healthy increase, from $97,000 to $231,000, just for those two items.

Hon. Mr. Bennett: Mr. Chairman, there's no doubt about it that the figure of $50,000 is in anticipation of studies that we could very well be required to carry out in trying to come to some determination in long range planning. The two extra personnel—and if you follow through on our personnel we have a total increase of, I think, 26 over the year—We have moved some various divisions into strategic planning. And the other related costs—of course in benefits—some of its relates to inflationary positions and salaries, but overall the increase in salaries is from $82,000 to $147,000.

Mr. Chairman: The hon. member for Sarnia.

Mr. R. S. Smith: Could I just ask you a question on this? This doesn't include anything for Maple Mountain?

Hon. Mr. Bennett: No sir.

Mr. R. S. Smith: That's under another vote?

Hon. Mr. Bennett: That is correct.

Mr. Chairman: The hon. member for Sarnia.

Mr. J. E. Bullbrook (Sarnia): Yes, I want to find out where we're going on this, Mr. Chairman, about your ruling here? Correct me if I am wrong, Mr. Minister; do I understand my colleague from Grey-Bruce is saying that you show in your 1974-1975 estimates, estimates of $97,000 for 1973-1974, for strategic planning which weren't included in your estimates last year? That's all he's asking. What is the explanation of that?

Hon. Mr. Bennett: They were included, sir, under the total vote. But this time, because of the reorganization of strategic planning now becoming a separate entity, we have broken it down into the two figures. We had $97,000 in the overall vote last year as relates to $231,000 in the current year.

Mr. Stokes: It is broken down.

Hon. Mr. Bennett: It has been broken down into the two figures.

Mr. Bullbrook: Do you have a copy of last year's estimates? You say you've got it broken down; we can't find it at all.

Mr. Stokes: It was in the main office vote last year.

Mr. Bullbrook: It was in the main office vote?

Mr. Stokes: Last year.

Mr. Bullbrook: All right, in your main office vote, just as a matter of interest. Here are your items in your main office votes. Salaries and wages. Is that strategic planning?

Hon. Mr. Bennett: Part of it.

Mr. Bullbrook: Part of it. So what you are saying in effect is what you show now as strategic planning, we couldn't, in assesing your estimates, come to a conclusion as to what that was referrable. to last year?

Hon. Mr. Bennett: That's right.

Mr. Bullbrook: That's right. So my colleague from Grey-Bruce has a point.

I wanted to question the minister if I could on a general responsibility that you might have as minister. Do you have any responsibility in connection with your ministerial function in guiding the Treasurer in granting exemptions under the Land Transfer Tax Act where there is an acquisition by a foreign-controlled corporation of an Ontario corporation?

Hon. Mr. Bennett: Yes, Mr. Chairman, we do. When there is an application made by particular industry, whether it be foreign or not on this item, it is referred to our ministry for some input.

Mr. Bullbrook: Do you agree with the following? I quoted this last Tuesday night. It's a speech made by the Treasurer of Ontario to the Canadian Society of New York on Sept. 10, 1974. In addressing himself to the exemption criteria, he spoke as follows:

> In determining whether a land purchase is of a significant benefit to the province, the government is guided by various criteria, such as whether the purchase will result in the creation of new employment where this is desirable.

That's the first one, the creation of new employment.

Mr. D. W. Ewen: (Wentworth North): That's good.

Mr. Bullbrook: I'm not saying it's wrong or bad, I'm just putting it forward as one of the criteria.

"Whether it will increase exports or replacements for imports." That's the second one.

"Whether it will bring about development in northern or eastern Ontario." That's the third one.

I want to put the question to the minister since he admits he has input and the ministry has input. How does the minister rationalize these criteria in connection with the exemption of $800,000 given Babcock and Wilcox in the acquisition of Homes Insulation at Sarnia?

The minister in speaking to the Canadian Society says, "To illustrate how the exemptions are being applied"—and you'll notice he says "how the exemptions are being applied," he went on:

> —I can cite the case of a Sarnia company called Homes Insulation, which was sold to a US firm, Babcock and Wilcox. In this case, the purchaser was granted exemption [now listen to this] because the purchaser would preserve 100 jobs.

Now, it's interesting, and I'm not going to get into semantics. His criteria is the creation of new jobs. He says nothing about the

stabilization of existing employment; he says nothing about that at all. Then he says, "We granted that $800,000 exemption purely for the purpose, purely for the purpose, of stabilization of employment."

I would like your consideration of this. I represent just about as economically overheated an area as there is in the Dominion of Canada, not just the Province of Ontario. There is no doubt about that. I want to know what your ministry did.

What investigation did you undertake in connection with the integrity of the Canadian management of Homes Insulation and their situation as to whether they would in fact go out of business? I want to ask you how you rationalize being involved in this.

The other criterion your Treasurer says, is the development of industry in northern and eastern Ontario—and this is what concerns me more than anything else. I got no response the other night at all, not even an indoor type of response, to these questions.

Of course I believe, as I trust you believe, that government should be a government of law and not of men. You cannot permit this type of discretionary exemption unless it is particularized with respect to the objective criteria that are to be met. If we are to permit Babcock and Wilcox to extricate themselves from an obligation under one of our taxing statutes to the tune of $800,000, I want to know why you did it. I'm very much interested in what input there was, what investigation took place, what recommendations you made and what basis you used your recommendations.

Hon. Mr. Bennett: Mr. Chairman, I'll have to get the information on Babcock and Wilcox. As for the one on Homes Insulation, let me say to you that a point that our ministry looks at constantly is the retention of jobs.

Mr. Bullbrook: You realize that wasn't used.

Hon. Mr. Bennett: It's entirely up to the Treasurer as to what he uses in his speeches. When we are asked what's the need for—

Mr. Bullbrook: I don't mean to be argumentative. What I'm very much interested in is your input. When the Treasurer speaks to the Canadian Society one would believe that he's talking about government policy, not something that he fabricated himself ab initio but that he developed as a matter of policy in conjunction with those colleagues in the cabinet who are responsible. He says to the Canadian Society in New York that our first criterion is the creation of new employment; nowhere does he say the stabilization of existing employment. I believe that he said that he made a valid point.

Hon. Mr. Bennett: I'm sorry, but to further answer your question, the very point that you've raised is one of the criteria that we use within the ministry in drawing together our report to the Minister of Revenue (Mr. Meen)—because he is really the individual that we report back to. One is certainly the creation of new employment in the areas that it will affect in the province. Second is to try and improve our export position and reduce the import content, if possible. Third in the ministry is the retention of employment. I can think of Homes as being one case and I can think of Electrolux down in Brockville area, which was a second. Very clearly we could help to maintain stability of that industry in their community. Those are the criteria that we've been using in recommending it.

Now the Treasurer will submit his position, as will the Minister of Revenue, and it will eventually go to cabinet for some action. Specifically relating to Babcock and Wilcox, I will get the information for you.

Mr. Bullbrook: I'd be very much interested in the complete understanding. I suppose my mind is becoming warped about this particular thing. This is the third time in a week that I've spoken about this because this type of thing lends itself to an almost tragicomedy situation, where you get people like John Blunt crying poor mouse, as he has for years. Blunt is the author of Homes Insulation. When he had Homes Foundries before he sold it to American Motors he cried for years that he couldn't put in environmental control equipment as he never had the money for it, and we had to live through that.

I well understand that you are going to now supply me with the internal working papers that you had, the investigation that you undertook and the criteria that you developed in making your recommendations to cabinet. I'm very much interested in this.

You see if you are doing this type of job—which I think you are not. I know that you have the responsibility, but if it is you who has the responsibility and if you had to go to Sarnia, for example, and if you have to look at Sarnia and you have to look at the criteria and you had to talk to Blunt and you had to say, "What's your financial position? Is there a market elsewhere? Can we assist you through ODC over the prob-

lems?" this type of thing—are you doing this? Or is it easier to say that Blunt tells you he just can't keep going?

This is really what I am interested in. I make no bones about this—I have already been told; it has been implied, I've absolutely no proof of it—that this thing is leading itself to nothing but developing the coffers of the Tory party. And it is easy to see how it could. Just listen, I was the one who said I had no proof of this, but consider for a moment—you are not going to bang that gavel surely?

Mr. Chairman: I would bring the time to the attention of the hon. member. We are going to private members' hour.

Mr. Bullbrook: I am sorry. Do you want me to move the adjournment of the debate?

Mr. Chairman: The House leader will and we will continue with the debate after.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): By agreement, and I think the hon. members will understand.

Hon. Mr. Winkler moves that the committee rise and report.

Motion agreed to.

The House resumed, Mr. Speaker in the Chair.

Mr. Chairman: Mr. Speaker, the committee reports progress and asks for leave to sit again.

Report agreed to.

PRIVATE MEMBERS' HOUR:

PROVINCIAL TRAILS ACT

Mr. Deacon moves second reading of Bill 74, An Act respecting Provincial Trails.

Mr. D. M. Deacon (York Centre): Mr. Speaker, six years ago, after some of us spent a rather busy summer with the select committee on taxation, two of us—the member for Peel South (Mr. Kennedy) and myself—went off on a youth hostel charter overseas. My wife and myself decided to go on to Switzerland where we thought we would like to enjoy some of the scenery of that beautiful mountain country.

Shortly after we got ourselves established above the eastern end of Lake Geneva—I forget the name of the lake right now—we noticed that there was a place where you got off at the top of the inclined railway that had a list of trails you could take. There was a blue trail you could cover in an hour's walk, another trail for 2½ hours, a yellow trail for five hours and a green trail for a 12-hour walk. We decided we would go off and follow one of these trails one day and we had a very, very interesting two- or three-hour walk through private lands owned by the local farmers.

There was one occasion when I decided I would try my French and see how well I could find out how these trails were operated—how they were maintained. The trails were really pleasant, because they took you away from the busy roads and into the back meadows and lovely areas where it was very, very pleasant.

In talking to a local farmer, I asked him how it was that he was prepared to have public footpaths existing through his farmland. He said it was by agreement with the local authorities. He was provided with an incentive to maintain the stiles so that people could walk over the fences and look after that trail within his area. Apparently there is a government programme that is worked out in co-operation with local citizens. They look after these trails and their maintenance.

We found many of these trails existed in other parts of Switzerland. You could take a train to a town, pick up a trail in some direction off the beaten track and take a bus back to where you originated, so you had no problem about having to walk on heavily travelled roads. You could get away into the countryside and enjoy it. The countryside was countryside. It was not government parks or anything of that sort but private lands, where you could stop and talk to the local citizens and ask them questions about their homes and conditions. It was a very, very pleasant situation.

In Ontario, I had already known about the Bruce Trail. I decided to join that organization to find out more about what they had developed. I have since done quite a bit of hiking on that trail and have got to know others who are involved in the Federation of Ontario Hiking and Trail Associations and others who are interested in riding trails and the establishment of trails generally.

I think they have accomplished a great deal without any government support in leadership, but every year, for example, the Bruce Trail people have to come through with actual changes in the route to take care of the local changes in ownership, where one owner doesn't want to have the trail going through his land. It sometimes cuts out some very attractive portions of the trail. It's regrettable, but that is the problem of

having these trails run over purely private lands.

My wife has been interested in the establishment of a circle-type trail in our own area—we call it the Rouge Trail—and it has been successful to a degree. There are a great many problems in establishing these trails, for which I think there is going to be an increasing demand.

It wasn't very long ago that the federal Minister of National Health and Welfare published the results of a study of the state of health of Canadians. We certainly didn't come out looking very healthy. We were overweight and underexercised. The cost of our health care in this province is soaring at such a rate that we certainly have to look at what they do in other countries, particularly in the Scandinavian countries where we find that the cost of health care—and a very high standard of health care—is far below ours on a per capita basis.

If one goes to the Scandinavian countries or Switzerland or some of these other countries, one is immediately impressed by the good condition of the people. They are out hiking around the country. The Norwegians are amazing that way. On a trip to Norway a year and a half ago, I was amazed at the numbers that go off and take advantage of the trail facilities and the opportunities that they have developed in that country.

This gets the public out of the dense cities where sometimes people feel very confined, which causes great problems. I think it is important that we recognize that this has not been done by buying up extensive public lands at great public expense, but most of this has been developed on private property and with the co-operation of the citizens themselves.

Of course, there is a lot more. I have mentioned just two types of trails, the hiking and the skiing trails. Far more than that is needed to take care of the interests of people in this country. We have a great many snowmobilers and we've had an extensive select committee study made of that hobby and of its needs. In addition to snowmobiling, we have dirt-track bikes. Some of us have sons who are interested in that type of fun and recreation. Others love driving around in dune buggies.

That type of activity just doesn't mix with that of those who want to go off and ski or cycle or horseback ride. We have to recognize that that is a recreation and a recreational need that we should provide for in making our plans about the development of trails in this province.

We have to think about those who like to go off in canoes. There are many different types of trails, but actually many uses are compatible. We could, for example, combine trails that are suitable for hiking and cross-country skiing, while those for cycling can perhaps to some extent be combined with horseback riding, although I think usually the horses loosen up a path sufficiently that it makes it a little difficult to ride on a bike.

As for canoe routes, I don't think we have quite as much of a need for that in this country. At least my own experience is that there are plenty of canoe routes available in our public parks and in our extensive systems of lakes and rivers. I personally have not had much difficulty in finding a good route for a canoe trip. Maybe there is a need for that too, but in any event we must recognize when we think about trails that there are different interests, and different types would have to be developed.

I also think we should recognize the fact that not everybody should have to use a car to go everywhere. For example on the Bruce Trail, right now it's impossible—at least I've found it impossible—to go by bus to a certain point where the Trail intersects one of our highways, then hike along the Bruce to another point where you can also get a bus or some form of public transit, back to where you started. You really have to double back on your route. That isn't nearly as pleasant as being able to take a journey and have a means of getting back to your starting point without difficulty.

These are things we have to think about when we are developing arterial systems. Circle routes are another interesting type of trail where in effect they, in the walk, come back to the point of origin. This is particularly good in built-up areas where people may want to get to the end of a transportation system and take a walking tour for an hour or two, then get back on the public transit facility.

We certainly want to encourage that, and encourage the development of facilities such as inns on these routes so that people can get away from the built-up areas into the open country and enjoy a brief respite.

The cost of trail systems doesn't have to be heavy. The Bruce Trail system is maintained by the Bruce Trail Association. If any member hikes on it he will find that they have kept it in good condition. Club mem-

bers make a point of picking up any litter that those who are careless happen to leave along the pathways.

It would be impractical for us to think in terms of buying all that 400-and-some odd miles of trailway and the other extensive trails that have been laid out around this province. So we are having to deal with private landowners and it's important that in dealing with that, we recognize we must have willingness on their part, which is only possible if there's responsible use of the trails by the users.

To persuade people initially to do this, it's important we give them some incentive for making available use of their lands to the general public. For example, I think it would be a mistake for us to give lower assessment opportunities to golf courses unless we also require of them access footpaths for the public, and at some point take advantage of that open space, perhaps along their borders. Most have routes where they could lay out a public footpath without disturbing the golfers or having the hikers in any danger.

In Britain, I have noticed footpaths through many of the golf courses. Maybe they were established a long time ago, but certainly it's much more attractive to be able to walk in the open countryside like that than to be in a built-up area. It's important we maintain these areas by some similar incentive. Open space in itself is not an advantage unless the public can get access to it. The same would be true for private developers. Maybe we have got to think in terms of purchasing the development rights, or even expropriate development rights, to ensure construction is not permitted on open space if it's going to interfere with an access route to some particularly lovely bit of countryside.

However, concerns have arisen in recent years about the legal position of property owners. The recent Falconbridge trespass case alarmed me as a property-owner. I am really concerned about what can happen to all of us who have property when a trespasser is injured and we find ourselves, through no fault of our own, in a lawsuit that could be very costly. I would think that sort of legal position is something we have to deal with.

The property damage experience of the Bruce Trail is not great, but it certainly is one that we have to provide for in any legislation.

In summary, Mr. Speaker, there has been a very large movement of people over the last number of years from the rural areas of the country to the big cities. The confined space in which they are having to live because of high land costs creates very serious social problems in addition to the health problems—the fact they don't get enough exercise. It is important that we provide the public with more open space and easier access to that open space. We can't do it just through publicly owned land. A system of trails in the province for walking, for cycling, for riding, for other outdoor activities, is an important method by which we can give people of this country a sense of appreciation of the countryside itself. Certainly it would develop a sense of responsibility at the same time, because I am sure under the system we have built up people can be made to feel more responsible for maintaining the countryside.

But it needs a co-ordinated effort; it needs leadership by this government. The government can and should justify it through the benefits of the reductions it could bring to our health care costs alone – both mental health and physical health. I am interested that those involved in the trails movement wish this to happen.

I was very pleased a year and a half or so ago when the hon. Bert Lawrence, then the Provincial Secretary for Resources Development, organized a trails symposium. That was a very good start. I have a letter from the president of the Ontario Hiking Trail Associations, Mr. Henry Graupner, who says:

> Hikers, the federation and I all welcome any initiative from whatever source toward the establishment of new trails, the preservation of existing trails, and the increase of opportunities for beneficial outdoor recreational activities.
>
> With the example of well-known trails in front of us, such as the Appalachian Trail in the United States, and the Bruce Trail, a number of groups have organized to establish and maintain hiking trails in Ontario for the enjoyment and use both of their own members and the public at large. Most sections of these trails run over private property, which is possible only with the goodwill of the landowners.
>
> You are no doubt aware that the Ministry of Natural Resources held the Ontario trails symposium last summer, and is currently studying details of legislation to be introduced [along the same lines as proposed in my bill]. We would therefore

ask for your support of the government plans at the appropriate time.

Mr. Speaker, it is a long time since that trail symposium was held. The need is now greater than ever, and I hope that the Provincial Secretary for Resources Development (Mr. Grossman) will follow the lead taken by his predecessor and move. His predecessor moved, but there has been a long and I think—

Mr. J. E. Stokes (Thunder Bay): Deafening silence.

Mr. Deacon: —deafening silence since the present minister took over. So, Mr. Speaker, I urge that this House approve and support this move to get an organized programme of provincial trails under way in this province.

Mr. Speaker: The member for Victoria-Haliburton.

Mr. R. G. Hodgson (Victoria-Haliburton): Mr. Speaker, I am very happy to join in this debate and to salute the member for York Centre for bringing this vital issue of managing and regulating provincial trails to the attention of this House.

I generally endorse the hon. member's objectives and purposes for introducing An Act respecting Provincial Trails. There is no doubt in the public's mind and in the minds of Ontario legislators in particular, that we must carefully p r e s e r v e and protect our natural resources throughout this province, so as to enable future generations to enjoy and make a complete use of our natural environment.

As our cities grow ever larger and more and more people are concentrating in larger built-up areas, it is inevitable that you will create a whole series of problems linked to that overcrowding. Cities have their own buildup in growth dynamics and have an almost magnetic attraction for those people who live in our smaller towns and villages throughout the province. Particularly is this true of our younger people as they want to savour new experiences and gain new perspectives on life through employment in our cities.

However, the old cliché of the revolutionizing of expectations extends throughout our whole population. Residents of our cities want to get out of those cities to enjoy the benefits of our natural environment, to release their social tensions and simply to relax by getting back to nature. The residents of our smaller centres naturally expect that the same recreational amenities of life should be extended to them as well, and so they should. The benefits of recreation should be available on an equal basis to all people, regardless of where they live. Within this context I can understand and appreciate the member's concern for introducing this bill.

On first impression the bill's major intent appears to be on developing a coherent provincial trails philosophy and a realistic policy-making mechanism found in the Trail Advisory council.

I can't quarrel with the necessity for a strong provincial trails policy; in fact, I endorse such a thing. I do have several reservations with respect to: (1) overall classifications of trails, (2) the composition of the proposed trails Advisory Council, and (3) the basic objectives for this council.

I think I am on solid ground in saying that the hon. member for York Centre is a well-known hiker and walker. Possibly it is out of his own personal experiences that he has classified trails as either being scenic, historic, primitive or river trails, refusing to establish any other classification which may be found necessary in the circumstances. By such classifications he may have had in mind those types of clubs and organizations devoted to hiking, cross-country skiing or snowshoeing activities in the main. What equal recognition is given to the newer and even motorized outdoor activities such as snowmobiling or trail biking? He has mentioned those as possible activities in this province needing trails.

In my own riding we have several very active snowmobile groups and within the lands of the Haliburton Forest and Wildlife Co., we have 90,000 acres of trails that cover this entire tract. It is a private operation and they charge a fee, but anyone can go in there after paying the fee. It is controlled, it is supervised, they maintain the trails and manicure them to a high extent. We have had several members of this House who have visited that land and their operations, and have had high comments to make about them.

In examining the proposed composition of the council in this bill, I can see several inherent problems derived from its proposed makeup. For example, I am not quite certain as to the necessity for a district forester or parks superintendent to be on that body. While it is understandable that a representative of the conservation authority should be included, what provision is there for municipal input? As to specifying a member of a pilot user organization, what criteria would be applied in his appointment? Would the representative of a trail and hiking club sufficiently be capable of representing the in-

terests of the snowmobile fraternity, or the riding fraternity, bird watching or cross-country skiing? Yes, we have a lot of bird people who walk on trails to observe. And they don't want to walk straight through; they want to stop and gaze and look. We have quite a bit of that developing in this province.

Some of my other reservations centre on the overall purposes of the new body as proposed in the bill. The council would compile and evaluate information on any matter concerning provincial trails and study and make recommendations concerning their administration. It would appear that the Trail Advisory Council would be clearly oriented to internal advisory and administrative problems and would not necessarily concern itself with the very complex issues of provincial trails on private property. In this sense, the bill is inadequate to cover the issues of accessibility, liability and a comprehensive integrated provincial trails plan for the whole province.

Furthermore, Mr. Speaker, what is required is the forging of a new relationship or set of relationships between the private user clubs, the government and the public.

Back in June, as the member has mentioned, the Ministry of Natural Resources and the hon. Bert Lawrence sponsored a provincial trails planning symposium. They approached the problems and issues relating to provincial trails planning in a greater in-depth approach than the present bill offers. The reports which came from that meeting offered a more forward-looking philosophy and approach to resolving the issues of trail planning and development.

I would commend these reports to the hon. members of this House and suggest that they be the central means of implementing a comprehensive trails plan policy for the next decade.

We have, in this province, many unopened road allowances that could be opened and developed and become part of a major trail system. We have several trails like the Bruce and the Peterson, which is in my riding and goes from one side of it to the other practically, from Georgian Bay to the Ottawa Valley. We should have stopover places designed and incorporated in those trails. We have, in our area, many Indian trails which could be defined by the province and the Ministry of Natural Resources and made into multiple-use trails.

There is no doubt that snowmobile trails could be used for horse riding through the summer months or for walking trails for the other off-season use. There is no doubt that the Ministry of Natural Resources should work with the snowmobile clubs, who do much volunteer work in organizing, developing, designing and maintaining trails. There should be in the Ministry of Natural Resources' estimates sufficient funds to undertake this task in the year ahead and the years in the future.

Thank you very much, Mr. Speaker.

Mr. Speaker: The member for Thunder Bay.

Mr. Stokes: I would like to join with the mover of this bill, and the member who has just spoken, in lending my support in principle to the aims and the objectives of Bill 74.

I find that the bill itself is not nearly specific enough to meet the needs of people generally throughout the province. We had considerable dialogue with many, many people throughout the province when we were travelling around on the select committee on snowmobiles and all-terrain vehicles, and we noticed that there was a great deal of conflict between the various users and those seeking an outdoor recreational or a wilderness experience. There was a tremendous amount of conflict and acrimony among the various users who were aspiring to the same piece of property for their own specific use.

Can you imagine somebody going along on horseback and somebody else tearing up the same trail with a dune buggy or one of these all-terrain vehicles that rides on a cushion of air, spewing huge amounts of sand and gravel in the eyes of a bird watcher or someone who is an ordinary hiker? Or can you imagine the conflict that you would have between someone going along cross-country skiing when somebody else comes along with a 90-hp snowmobile going at 60 mph and not knowing where he was going or how he was going to get there?

Section 3 of the hon. member's bill simply states:

> The provincial trails are hereby dedicated and declared to be held in trust for the people of the Province of Ontario and others who may use them for their benefit, education and enjoyment, and the provincial trails shall be maintained and made use of so as to leave them unimpaired for the enjoyment of future generations.

I need not tell the House that if you let a dune buggy run over a trail it won't even last till the end of the week. If the members are concerned at all about the environmental consequences, we witnessed some of the

degradation of the environment as a result of the indiscriminate use of many, many wilderness areas across the province.

However, having said that, I think that it was made quite clear to us that it is absolutely essential that we do provide areas that should be specifically set aside for recreational purposes, not only to take care of the needs of the hiker, the bird watcher, the trail-bike rider.

I think we have to be careful that we don't set up a trail system that allows for the indiscriminate use of Crown land and thereby destroys the main purpose of establishing trails in the first place. As you will see in the recommendations we made, particularly for snowmobilers, our primary concern was to get them off the road where they don't mix with other road vehicles. But we felt at the same time that because they were a legitimate means of recreation, and because of the rather large licence and registration fee we were charging them, we had a responsibility to provide them with an area to give vent to their feelings.

This was expressed at the trails symposium alluded to by the two previous speakers. That report is in the hands of the government. Hopefully this session or before another winter goes by, we will have some kind of legislation that will take care of the tremendous problems we are going to continue to have until we come to grips with the snowmobile problem as seen in many areas where they are now banned. They are going to continue to be banned until we provide an outlet for them by way of a trail system that can be maintained and supervised with the dollars from the registration fee.

I want to remind the hon. members there are many other sorts of recreational vehicles coming on the market. With no guidelines set down by any ministry of any government as to safety and mechanical standards that must be met. There are no standards saying you can't impair beach areas where people are enjoying a swim or a picnic; there are no areas specifically set aside for wildlife propagation. I think we have to come up with a system whereby this government can designate specific areas for specific uses to minimize the conflict that has already arisen in many instances ,and is bound to arise as a result of people's need to get out and express themselves in different ways.

You, Mr. Speaker, being very quiet and calm, cool and collected, might want to go out for an ordinary hike, as envisaged by the mover of this motion. Or you might wish to take out a set of binoculars and look at birds and other flora and fauna on your way. Then you might get somebody as rambunctious as the assistant clerk of the House on a 140-mile-an-hour snowmobile, or one of those Yamahas they use as trail bikes, invading the privacy you hold so dear.

So I think, in talking about trails, we have to recognize the kind of pursuits people will follow these days. The activities they think as recreational outlets are as varied as anything you would care to mention. There is the horseback rider, the fellow with the dune buggy, and a proliferation of mechanical devices designed to extract more dollars from people's pockets which are going to continue to be a problem for any government and all jurisdictions.

I think it is high time we had a rational provincial trails programme in this province. The province has to take the lead, particularly in southern Ontario where there is very little Crown land left for this kind of activity. Of course it is going to cost far too much to lease this land from private owners. I don't think that kind of programme is going to work. But we have a lot of areas such as abandoned railway lines, transmission and other utility corridors that can be used for the express purpose outlined by the member who introduced this bill. We do have many options left open to us, but if we are going to provide this recreational outlet for an increasing number of urban dwellers who want to get out from the asphalt jungle, I think the province has to take the lead.

I don't see this bill as the vehicle that will solve all of those ills, but I will commend the member for having brought it to the attention of the Legislature and for providing members of all parties an opportunity to express their views on it.

I think one of my colleagues will have something further to say on it, time permitting. It is something that deserves the attention of this government and I hope it doesn't procrastinate any longer in coming forward with some kind of a programme that will provide trails for everybody in the entire province, regardless of where they live and regardless of what their pursuits are.

Mr. Speaker: The member for Huron.

Mr. J. Riddell (Huron): Mr. Speaker, I rise in support of Bill 74 introduced by my colleague, the member for York Centre. I would sincerely hope that this bill would be given every consideration, as I have personally had considerable experience in working with outdoor education groups and I realize the unlimited use that can be made

of trails for educational and recreational purposes.

To date, the responsibility for providing provincial trails has been to the largest extent left up to local trail interest groups. There are now seven major provincial trail organizations, namely, the Bruce, Guelph, Grand Bend, Thames Valley, Quinte, Hastings, Gananoque and Rideau Trail Associations. However, there has been little initiative by any government ministry to provide a comprehensive programme for a province-wide trail system. Today there is a great need for the government to provide more and varied recreational facilities through provincial trails and to ensure the quality of existing and future trails.

The Bruce Trail as an example, Mr. Speaker, has been widely used and has been in much greater demand than the local trail interest groups believed it would be in its initial stages. The Bruce Trail and other trails are presently being used to quite a large extent by teachers acquainting students more visually with such academic subjects as geology and biology. The trails are also widely used by outdoor recreation groups such as secondary school outers' clubs. The trails are used by family weekend groups and by such organizations as Boy Scouts and similar such associations.

The trails provide winter activities such as snowshoeing, snowmobile and winter camp-outs, which are certainly increasing in popularity as we well know. People simply want to get away from the cities during all times of the year and, believe it or not, open space for outdoor activities for these people is very much lacking at the present time.

Unfortunately, land speculators have consumed land in such areas as the Niagara Escarpment, which we know now should have been preserved for use by the general public. As a result of this speculation, the Bruce Trail had to be diverted around private homes that were built on the edge of the escarpment. If new trails are now established by local interest groups rather than the Province of Ontario, then permission has to be obtained from the owners of the property, but in light of the fact that ownership changes one can foresee the problems that could quite conceivably occur.

I have been trying to point out, Mr. Speaker, that growing demand for more recreational space in Ontario is facing government with an urgent challenge. In southern Ontario, as a result of the process of urbanization, many natural trail locations are no longer usable. The situation is most acute in the areas surrounding the larger metropolitan centres of the province. There must be effective government participation today in order that natural trails might be guaranteed for the Ontario public in the future.

It is now very important to preserve public open space where people may engage in simple, non-energy-consuming recreation, both close to and away from centres of population. It must be the responsibility of the government to ensure that all existing trails are adequately protected and maintained.

Since individual trail interest groups have shown that they can work most effectively in the creation of trail systems, their activities should certainly be encouraged. However, it should be the responsibility of government to maintain these trails and to provide for the protection of private land-owners against liability if someone is hurt on trails that run through their property.

At present, trail clubs usually enter into some form of agreement with private landowners which allows the trail to run through their property. This method is common because trail-interest groups do not usually have sufficient funds for purchases.

However, through this method there is no guarantee that the agreement for right of access will be maintained, and the private landowner is not protected against liability.

Recently, as was previously mentioned, there has been great concern by landowners over a Supreme Court of Canada decision which awarded a snowmobiler $30,000 who had run into an obstruction on private land near Sudbury. The snowmobiler was driving on Falconbridge Nickel Mines Ltd. property without permission when the accident occurred. The precedent which is set is truly frightening for private landowners. This is one of the reasons why private landowners are often hesitant to allow trails to cross their lands. Therefore, some formal agreements are necessary so that landowners are absolved from any liability.

Since it is now possible for a private landowner to be held responsible when no permission for entry to his land is granted, surely he will not permit trails through his land without some legislation where he will be absolved from liability.

These are just a few of the remarks I wish to make at this time, Mr. Speaker, in support of Bill 74. As I indicated at the beginning of my remarks, I sincerely hope that the province will give favourable consideration to the establishment of such trails.

Mr. Speaker: The member for St. David.

Mrs. M. Scrivener (St. David): Mr. Speaker, I am pleased to participate in this debate on a proposal by the hon. member for York Centre for An Act respecting Provincial Trails, since this is a subject in which I have been interested for a number of years.

I, too, am familiar with the report of the first Ontario trails symposium, a symposium which was held in June, 1973. I have discussed the findings of the symposium and other findings at a public meeting with some of my constituents in the riding of St. David. St. David, as you may know, Mr. Speaker, is blessed with a fine system of ravines and citizens of the area are interested, as I am, in increasing and enhancing this existing system of nature trails. I would remind you that such trails within a city can be as enjoyable as those located in non-urban environments.

Mr. Speaker, I wish to commend the hon. member for York Centre in bringing this issue of trail planning policy before members of this Legislature. I can understand the hon. member's intentions and motivations in the light of our every growing urbanization, industrialization and the many social problems inherent in those two processes. I can appreciate the underlying philosophy offered by this bill and the hon. member's concern for providing a vehicle that will protect and preserve provincial trails for future generations.

Upon further examination of this bill, I can see that he is basically concerned with public jurisdiction of provincial trails and their specific use on Crown land. While there is some merit in providing a vehicle for the care, preservation, improvement, control and management of the provincial trails, the bill itself does not address itself to the numerous problems of conflicting trail use, liability disputes related to the access of these trails on private land, land-use controls adjacent to these provincial trails or the overall roles of private trail organizations, the government and the public.

The very composition of the proposed Trail Advisory Council as contained in the bill does not satisfactorily resolve either a real or potential conflict over the use of any proposed trail system. Nor does it suggest who or which group is to ultimately decide whether a particular trail should be designated for bicycle use, snowmobiling purposes or hiking activities.

I can say without any hesitation that the government itself does not have all the knowledge or expertise to make that basic decision. The government's view of its role is not to be that of a referee in any future or potential conflict, but rather to serve in a co-ordinating and co-operative function.

In devising a comprehensive and integrated provincial trails policy, the government of Ontario is currently encouraging worthwhile participation, not only from private trail clubs but also from landowners affected by any proposed or existing trail network. It is desirous of obtaining a real policy input from the private sector regarding provincial trail policy.

I think that groups like the Ganaraska, Bruce or Quinte-Hastings associations have a better understanding of local conditions, as well as the ability to go about using local and regional resources. That is why I think the Trail Advisory Council as proposed in this bill is deficient in not providing for a real local or municipal contribution.

As the urbanizing and industrial processes intensify the pressures for a larger number and a more varied type of trails, all parties involved in developing a realistic and rational trails policy must resolve the problem of liability disputes. Land and property owners all over the Province of Ontario have developed differing attitudes toward the use of provincial trails which impinge on private property. That is, the nature of the issue is whether private trail organizations should have accessibility to private lands.

In a recent decision before the Ontario Supreme Court, involving Kerr Addison Mines and a private snowmobiler, the judge saw fit to award damages to the trespasser. This decision was made even in the light of the snowmobiler's full knowledge that he had violated the Petty Trespass Act. Such a decision raises very serious questions and places private property owners in a real quandary. The private property owner begins to think that the fewer people on his land, the less the liability to be incurred. Such an attitude is not very encouraging in the light of ever-increasing public demand for more and different trails.

Unfortunately, nowhere in this bill do I see an attempt to confront and satisfactorily resolve this fairly complex legal problem, althoungh I am pleased to note that the mover of the bill and the member for Huron have acknowledged this deficiency.

Are there any real solutions for this very knotty matter? Some jurisdictions have opted for either a formalized or informal agreement between landowners and trail clubs.

These jurisdictions have opted for a legislated approach to the matter. In Ontario, many trail clubs have entered into formal agreements with landowners because these trail groups do not possess sufficient funds for either permanent easements or outright purchases.

Aside from the statutory approach, other solutions could involve insurance plans to protect either the landowner or the trail user against possible suits in the courts. Still, I suppose the waiver approach could form a third alternative to resolving liability problems. A trail club could sign a waiver with a private landowner which absolves the landowner of any liability. In turn, a user could sign a waiver which absolves the club of any liability. Whatever avenue of agreement is reached, this particular bill is faulty in that it does not address itself to this important issue.

Another major problem of great concern to property owners is the impact which provincial trails will have upon private lands. The presence of a provincial trails network would undoubtedly lead to restrictions on the private land adjacent to these trails and thereby determine the land-use values for the lands.

I raise this as part of the issue for debate, not so much out of a defence of private landowners, but to suggest very strongly, Mr. Speaker, that the bill we are debating is quite deficient in this regard. Until these problems and other issues are satisfactorily resolved between property owners and a vast assortment of trail interest clubs, until the provincial government has clearly established a comprehensive provincial trails policy fully supported by all groups involved, and until the appropriate organizational arrangements and funding of priorities are totally set out, I do not believe that this particular bill, nor most of the provisions contained in it, satisfactorily determine the inter-relationships between the public and private sectors on this highly complex issue.

I am interested in and support the principle of the bill, but find it quite limited in its concept, which is regrettable. However, I can reassure the hon. member for York Centre and all others who share this interest that it is my understanding this entire matter is under current consideration and has a very high priority with this government.

Mr. F. Laughren (Nickel Belt): Like all other social legislation, nothing ever happens.

Mr. Speaker: Any further speakers? Yes, the hon. member for Sudbury.

Mr. M. C. Germa (Sudbury): Mr. Speaker, I would like to say a few words on this bill regarding An Act respecting Provincial Trails. I thing the person presenting the bill has caught the principle which is required to solve the problem which is facing the people of Ontario now. The member for York Centre has been on the trail very often. He was on the leadership trail a few months ago and he got 14 votes, so he knows what it is to be on the trail.

I'm surprised at the parliamentary assistant's statement that she has to wait on certain input from the people of Ontario before the government sees fit to react to the information it already has. I'm sure she's aware of the very fine work that the all-terrain vehicles committee did when they did a survey on behalf of snowmobiles—it did encompass other areas of trails as well as snowmobiles and hovercraft. It covered all aspects of all-terrain vehicles and there's abundant information there on which the government could formulate policy.

Coupled with that was the trail symposium which was called by the hon. A. B. R. Lawrence in June of 1973.

Mr. Laughren: That was his finest hour.

Mr. Germa: Yes, he was in high form that day. We had trail riders of every description.

Mr. Stokes: Until he went down the trail.

Mr. Germa: We had horseback riders, snowshoers, skiers, canoe trailers, snowmobilers, hovercraft people. We had every manner of person who would be interested in this kind of an activity, and they did present their needs and requirements to the government of Ontario. There were reports written of what had transpired and the government at that time, the minister, seemed to be in agreement that this influx of information would lead to the bringing in of legislation, I'm surprised that the government hasn't acted on the information that it has at hand already.

I cannot accept the minister's statement about the conflict that will be evident with private landowners if the province were to institute a system of trails in the Province of Ontario. It is just not a valid argument. Of course, she puts more focus or more importance on private ownership of land. I don't have that much respect for private ownership of land, so there's a fundamental difference between her and me as far as putting in trails is concerned.

I think when we address ourselves to this problem that we have to think in two theatres. We have the southern Ontario theatre, where I admit you'll have a difficult time gaining access and rights of way, in order to institute this kind of a system which would provide for the recreation of people. But I would suggest that there is nothing preventing the government from going ahead in northern Ontario where 95 per cent of the land is still in Crown ownership. So we don't have the problem of private ownership to deal with.

Coupled with that there are thousands of miles of trails not designated as trails at this moment. I have studied maps which show abandoned mining roads—roads which led to a mine which is now defunct. This is part of the problem in northern Ontario. Once the natural resource is depleted, the mining company moves out with its profits and leaves the—

An hon. member: Hole.

Mr. Germa:—road it cut through the forest, and leaves the buildings. I think the government should take advantage of this facility where these trails have already been brushed out. Naturally some are overgrown by now. They've been abandoned for many years. There are also abandoned lumber roads where timber operators went in and depleted the forest. All we have left is the trail through the forest and maybe the odd bridge or some facility for crossing the lakes and rivers.

There are abandoned railway rights-of-way which led into these various industrial enterprises. Lots of streams would be accessible if these roads were graded to allow for the construction of trails. If we could lay all these abandoned mining roads, rail lines, lumber roads, and power rights-of-way end-to-end on a map we would have a ready-built trail system in the northern part of the province, at very little cost to the people of Ontario.

Another problem came out at the trail symposium. People from every walk of life want to use trails. A bird watcher and a snowmobile, of course, are not compatible entities. This has to be taken into consideration when you're designating a trail use. The horseback rider is not too compatible with the fellow who comes through the forest on his trail bike. I recognize that. But despite the difference of opinion and the different attitudes of all of these people I think a trail system could be put together which would accommodate all the various interest groups.

I would suggest one interest group gradually migrates into another. I can readily see that a man of 35 or 40 may be an ardent snowmobiler, and at a later stage in his life might turn into one of the best bird watchers we ever had.

I've been on various trails in the Province of Ontario. I think they are a wonderful recreational resource. They bring people into wooded areas that they wouldn't necessarily get into had the government not provided the facilities. It is very difficult for a person, particularly one from the city and not a bushman, to get into the forest areas. Mostly they congregate around the perimeter. If a trail system were devised to give city dwellers a look at what the world is all about, I think any dollars put out would be well spent.

One jurisdiction in Canada has made great strides: the Province of Quebec. We were in Quebec City investigating on behalf of the all-terrain vehicles committee, and found Quebec has already in place 6,000 miles of snowmobile trails, whereas the Province of Ontario has about 600 miles in place. I think we are deficient in supplying this type of facility.

I see the clock, Mr. Speaker, and I will bow to the clock.

Mr. Speaker: This completes this order of business.

Clerk of the House: The 18th order, House in committee of supply.

It being 6 o'clock, p.m., the House took recess.

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No. 106



Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Ninth Legislature

Tuesday, October 29, 1974

Evening Session

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

THE QUEEN'S PRINTER
PARLIAMENT BUILDINGS, TORONTO
1974

10

Price per session, $10.00. Address, Clerk of the House, Parliament Bldgs., Toronto

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LEGISLATIVE ASSEMBLY OF ONTARIO

The House resumed at 8 o'clock, p.m.

ESTIMATES, MINISTRY OF INDUSTRY AND TOURISM
(continued)

Mr. Chairman: Before we start on the work of the evening, the hon. member for St. George would like to draw something to the attention of the House.

Mrs. M. Campbell (St. George): Thank you, Mr. Chairman. I should like to take this opportunity of introducing to this House the 108th Boy Scout Troop, which is from the great riding of St. George, under the leadership of Mr. Anastasio. With him are Messrs. Paige and Hayman.

Mr. L. M. Reilly (Eglinton): Mr. Chairman, just before we commence proceedings, I understand that there are members here from the 132nd Toronto Boy Scout Troop, led tonight by Mr. Foster.

On vote 2001:

Mr. Chairman: The hon. minister would like to make several comments.

Hon. C. Bennett (Minister of Industry and Tourism): Mr. Chairman, I have one comment to try to clear up a matter that was raised by the hon. member for Grey-Bruce (Mr. Sargent). Before I commence on it may I say that I, like most ministers I suppose, have problems when we go through reorganization. There's the transferring back and forth of personnel and projects from one division of the ministry to another, and that creates some confusion. But I'd like to spend a moment to try, in the terms that I understand it, to explain to the hon. members the point raised by the hon. member for Grey-Bruce.

First of all, the total estimates of the ministry in 1973-1974 as shown in the 1974-1975 estimates book before you, is the same as those listed in the 1973-1974 estimates book. Namely $64,904,000 less an amount of $402,000 transferred to Treasury, Economics and Intergovernmental Affairs re the Ontario Economic Council, which as you will recall was some time ago transferred over by the Premier (Mr. Davis). That leaves a net position of $64,502,000.

During last year, through reorganization, ministry functions were moved to new programmes. One example is Ontario House, London, England. In 1973-1974, under vote 1901, item 4, this is shown as $296,000; which covers the administration and representation aspects of this operation. The remainder of the $245,800 is shown under vote 1902, items 1, 2 and 3, prorated within these activities but not identified as separate amounts. The total of the above, $541,800, is shown as one item in the 1974-1975 estimates, under vote 2005, item 2.

Mr. J. M. Turner (Peterborough): Be careful.

Hon. Mr. Bennett: It is common practice when significant reorganization takes place within the government that the following year's estimates books, when recording the previous year's estimates, adjust these figures to allow the members to do a comparison between new funds requested and the amount previously provided in the estimates.

It is our desire, Mr. Chairman, to try and relate funds from last year's estimates and compare them to this year's estimates. I hope this explanation fills the requirements.

Mr. E. Sargent (Grey-Bruce): Mr. Chairman, that does not excuse the fact that in the documents in front of us we have a statement that is not true. I appreciate the minister's explanation, but I suggest that they got busy over the supper hour and doctored this up again. I say the word "doctored" kindly, but the fact is that we have a document in front of us that is not what should be before the House when we're talking about these sums of money.

I suggest, Mr. Chairman, that when the minister wants a vote passed in which we have these repeated irregularities that are not documented and not supported and unfounded, the vote should carry a proviso noting that the estimates report a figure of $97,000 improperly recorded and unsupported and to read further that the vote be passed with the addition of $97,000.

I think that is the only proper way to handle the estimates, because in the next vote we are going to talk about a $1 million difference. I don't see, Mr. Minister, how you can expect us to weigh the estimates properly if they come here with figures that have no previous appearance before this Legislature.

Hon. Mr. Bennett: Mr. Chairman, a year ago when we dealt with the ministry we were not dealing with reorganization and re-establishment of new accounts. At some point or other you must relate the ones that you had in last year's estimates to the current year's requirements, and that is exactly what we have attempted to do. As I said to the House, last year's estimates were $64,502,000. That was what we budgeted for, and that is what we came down to the House with in our estimates. We have now shown you that $64,502,000 is the figure we have worked to and we reallocated—

Mr. Sargent: We are not talking about the overall; we are talking about this vote. I would say most respectfully that we have to deal with this vote and not the overall amount.

Mr. Chairman: Order. The hon. member is being repetitious.

Mr. Sargent: What do you mean being repetitious? Mr. Chairman, I say respectfully that if you are going to allow this kind of hanky-panky to go on then we should forget about the estimates entirely. You know that money is not in the estimates properly; you know that, sir.

Mr. Chairman: It seems to me the hon. minister has given a satisfactory explanation. The hon. member for Cochrane South.

Mr. W. Ferrier (Cochrane South): Mr. Chairman, I wonder if the minister would agree that the first vote is the place to discuss the northern resources exhibition centre.

Hon. Mr. Bennett: I would say, Mr. Chairman, that we should really be discussing it under tourism and development.

Mr. J. E. Stokes (Thunder Bay): As a point of information then, since we are restricted to a definite number of hours for discussing all particular estimates, and more specifically this estimate, and have agreed that two sittings would be allocated to this, how do you propose to handle it, Mr. Chairman? Are you going to have a wide-ranging debate on anything within the estimates or are you going to insist on passing one particular item before another?

Mr. Chairman: It was my intention to deal with the two items in 2001 collectively, and then when we go into 2002 to do it item by item as quickly as we can. Is that agreeable with the members? The hon. member for Windsor-Walkerville.

Mr. B. Newman (Windsor-Walkerville): Mr. Chairman, I want to make a few comments to the minister and ask him for his opinion.

Back on Oct. 24 the minister spoke to the Automotive Parts Manufacturers Association at the Inn on the Park. He made the following comments that I want to bring to his attention, and I want to ask him what his opinion and what his stand is concerning the comments.

On page 11 of his comments he talks about the removal of the seven per cent sales tax on production machinery. I want to know if the minister agrees with that and if the minister presented that point of view with strong emphasis to his cabinet colleagues.

Hon. Mr. Bennett: Mr. Chairman, in my presentation to the cabinet and to the Minister of Treasury, Economics and Intergovernmental Affairs (Mr. White), I very clearly indicated to them that I thought we should, in the interests of trying to develop new economic means in this province, give them an incentive by removing that particular tax.

Mr. B. Newman: Right. I am glad to hear that, because in the past we on this side of the House attempted to point out to the government the merits of the removal of the five per cent sales tax—especially myself, coming from a highly industrialized area in which the auto parts industry, in addition to the automobile industry, is of vital concern to the economy of the area. We thought that could have been an added incentive in the bleaker days to encourage greater development, especially in the auto parts manufacturing business.

I wanted to ask the minister if he likewise agrees with municipal incentives to encourage industry to come into a community to develop industry?

Hon. Mr. Bennett: Mr. Chairman, again when we talk about municipal incentives, it is a pretty wide-ranging programme. I think responsibility for trying to stimulate new activity industrially really comes back to the province, and that we must do it on a unified basis with some leaning toward regional economic development.

Mr. B. Newman: Thank you, Mr. Minister. I think your point is well taken. Rather than having one municipality vying with another in an attempt to attract industry, and in this way undercut the whole programme, it would be better if it were done at the provincial level. These are my own opinions concerning that, Mr. Minister.

Now the other thing I wanted to ask of the minister is relief from increased hydro and transportation rates, because this has been a topic of quite some concern since about six or eight years ago. Does the ministry still agree there should be relief from increased hydro and transportation rates?

Hon. Mr. Bennett: Mr. Chairman, I do not believe that hydro should be used as a development tool—one that is going to be underwritten by the general taxpayers of the rest of the province.

While some provinces might use it as a means of directing industry into certain parts of the province, I think in the final analysis it doesn't really measure up to the standards that we believe we should be using for new development programmes in Ontario.

As far as transportation is concerned, we are forever working with transportation companies. Just a week or so ago I met again with the CNR people to discuss further positions as to where relief might be extended to certain specific industries in Ontario. As an example, there are the scrap dealers. We are having some difficulty in moving their commodities at a realistic rate.

Mr. Chairman: The hon. member for Kent is next.

Mr. J. P. Spence (Kent): Mr. Chairman, I would like to ask the minister some questions in regard to reorganizing the regional councils across the Province of Ontario. We understand there are 12 regional councils in the Province of Ontario at the present time; but under these regional councils, you have two regional tourist associations. We find, Mr. Minister, that members of these county tourist associations have to drive long distances to attend the meetings of the regional councils—

Mr. Stokes: That is the last vote.

Mr. Spence: Is it? Well, I will wait then. But I thought this was planning of programmes that were carried out by the ministry in this past year.

I would say, Mr. Minister, that the attendance at some of these meetings is getting very discouraging. I would say further, Mr. Minister, the president and the manager are the only two who receive any remuneration for attending these committee meetings. And I would say that there is a feeling of discouragement on the part of a number of those who have been attending to have to drive such long distances to the meetings. Today, we have so many places to go every night or every week that attendance is getting to be a burden to some of the members who have been interested and who have done a lot toward the tourist industry in the Province of Ontario.

I would say, Mr. Minister, it looks to me as though these regional tourist associations are getting a little too big—getting a little too far away from individuals who are interested in encouraging and improving our tourist industry.

It has been brought to my attention a number of times the distances they have to travel with no remuneration. It is getting to be a burden. I wonder if you could inform me if you find this in other parts of the Province of Ontario. It looks to me, Mr. Minister, as if we are getting a little too far away from the grass roots and those on the back concessions, who are certainly interested in developing the tourist industry in this province.

Hon. Mr. Bennett: Mr. Chairman, do you wish me to answer this one on this particular vote, or wait until it comes up in vote 2004?

Mr. Spence: Any time you want.

Hon. Mr. Bennett: Then it will be on vote 2004.

Mr. Chairman: The hon. member for Grey-Bruce.

Mr. Sargent: Mr. Chairman, I'm easy on the rest of this vote, but special projects and personnel are not included in this. Where are those people going to be used? Where are they employed now?

Hon. Mr. Bennett: Under the last vote—administration.

Mr. Sargent: Okay.

Mr. Chairman: The hon. member for Windsor-Walkerville.

Mr. B. Newman: I wanted to ask of the minister if the ministry is doing any planning at this stage concerning the technology that will be required as a result of the Ministry of Environment's recent announcement on developing waste reclamation and recycling plants in six different areas of the province?

Most of that technology is going to have to be imported from the United States. I would hope, Mr. Minister, that some type of arrangement could be made so that the major portions of any facility in the waste reclamation projects could be of Canadian make or of Ontario make so that our own people could have the benefit of the employment on a government development programme.

I would also hope that the minister would pursue this; because as the first six projects prove to be of some value, it is only natural that idea would expand throughout the Province of Ontario and it would make that many more job opportunities available to the citizens of this province.

Mr. Sargent: Mr. Chairman, in regard to strategic planning, who is the chief strategist and what is he paid?

Hon. Mr. Bennett: Our chief gentleman is Mr. Cooper and his annual honorarium—

Mr. Sargent: Honorarium? Do you mean salary?

Hon. Mr. Bennett: I will check on it. I think it is $34,000.

Mr. Sargent: What are his qualifications?

Hon. Mr. Bennett: Mr. Chairman, I am prepared to send to the member all of the information related to Mr. Cooper, who is employed in the ministry and is in charge of strategic planning.

Mr. Sargent: What does he do? What is the strategy? What do you do in strategic planning?

Hon. Mr. Bennett: Strategic planning is the section of the ministry which looks at development policies, setting up the guidelines for future development, determining where industry is going and what we should be doing to make sure that we accomplish our goals. They also are our communication link between the provincial government.

Mr. Sargent: Do you direct where industry should go?

Hon. Mr. Bennett: No sir.

Mr. Sargent: Why not?

Hon. Mr. Bennett: We indicate to industry areas we think appropriate and we give them a choice of two or three locations in this province. We do not zero in and tell them that they should be in a specific location. They tell us the requirements they have to make their industry function properly. We relate that to the information we have about various municipal industrial parks across this province and supply it to the industry. It is their choice from that point on.

Mr. Chairman: This could be more suitably dealt with in the next vote.

Mr. Sargent: We are talking about strategy, aren't we?

Mr. Chairman: Yes, but industrial development is on the next vote.

Mr. Sargent: We are talking on vote 2002; and it's strategic planning.

Mr. Chairman: We are talking about vote 2001 at the present time.

Mr. Sargent: I didn't know you changed it.

Mr. Chairman: We are dealing with 2001. Is 2001 carried?

Mr. Stokes: I have one final question. What does your executive assistant do, or your parliamentary assistant? I see him sitting there. I know he's led a couple of delegations to—

Mr. R. F. Nixon (Leader of the Opposition): Is that the Minister of Natural Resources (Mr. Bernier)?

Mr. Stokes: No, that is the member for Eglinton.

Mr. R. F. Nixon: Oh yes, he came in in January, 1962.

Mr. R. F. Ruston (Essex-Kent): He just sits and smiles.

Mr. R. F. Nixon: He is waiting for preferment.

Hon. Mr. Bennett: Mr. Chairman, the parliamentary assistant assists the minister in carrying out many responsibilities.

Mr. R. F. Nixon: Good.

Hon. Mr. Bennett: Thank you very much; and I can assure you there are many occasions when the minister cannot undertake meetings with certain groups or organizations across the provice—

Mr. Sargent: Give him his wings and let him fly.

Hon. Mr. Bennett: Nor do I always have the number of hours I'd like to have, nor the days available, to go and speak to the number of industrial groups in this province which would like to hear the Minister of Industry and Tourism.

Mr. R. F. Nixon: Are you spending that much time helping Pierre Benoit win?

Hon. Mr. Bennett: Those are things the parliamentary assistant is expected to do, and he carries them out with great ability.

Mr. Chairman: Vote 2001 carried?

Mr. Sargent: Mr. Chairman, it is carried with the proviso of the addition of $97,000.

Mr. R. F. Nixon: Carried.

Mr. Chairman: Is vote 2001 carried?

Vote 2001 agreed to.

On vote 2002:

Mr. B. Newman: Can we take the whole vote at one time?

Mr. Chairman: We will take the whole of vote 2002 at once.

Mr. Sargent: Mr. Chairman, on this vote you have listed, on page 50, that the 1973-1974 estimates for total industry development come to $4,674,000. The estimates for 1973-1974 list the industrial development budget as $5,935,000. We have a discrepancy here of $1.3 million. It's the same thing again.

Mr. Minister, what is the reason that you cannot draw up proper estimates? You are $1.3 million out here?

Hon. Mr. Bennett: Mr. Chairman, obviously from vote 2001 through to vote 2005 we are going to have the same kind of discussion that now confronts us. I have explained to the House quite clearly that on reorganization you have the transferring of people and projects from one division of the ministry to another. What we have tried to do here, to assist the members of the House, is pro-rate the portion of last year's—

Mr. Sargent: Don't give us that about assisting the members of the House. You have goofed. If we were to do things properly, we would disband this meeting right now.

Mr. Chairman: Order. The minister has the floor. Let him answer the question.

Hon. Mr. Bennett: Repeating my answer, Mr. Chairman, as I indicated, it is a matter of relating last year's estimates to what we are voting this year—and I have said this twice or three times tonight—to give some guidance to the members so we can discuss the estimates of this ministry on a logical and informed basis.

Mr. Sargent: Mr. Chairman, with respect, page R50 shows the 1973-1974 estimates as totaling $4,674,000. But the 1973-1974 estimates were not that figure; they were $5,935,000. So there is a discrepancy of $1.3 million before this House.

If we were to do things properly, we would say: "Close this meeting off and come back when you can have the estimates in shape." That's the way it should be done. All through this piece we have the same bunch of inaccuracies. You can't talk about millions of dollars this way, Mr. Minister. God help us if this is going on through the whole ministry.

Mr. Chairman: Vote 2002?

Hon. Mr. Bennett: Just one final comment, Mr. Chairman. If the member had been looking at other ministries' estimates, he would find a similar situation where reorganization has created some difficulties.

Mr. Sargent: Does the minister know that to be fact?

Hon. Mr. Bennett: Obviously I have looked at the estimates.

Mr. Sargent: Okay. Mr. Chairman, we have a figure in front of us now that the minister cannot support; it is $1.3 million wrong. I suggest the Chair should disband this meeting and we come back when they have the estimates in proper shape. I make that motion.

Mr. Chairman: Is vote 2002 carried?

Mr. Stokes: No.

Mr. Chairman: The member for Thunder Bay.

Mr. Stokes: I have a question, under item 2 of vote 2002, dealing with the Ontario Research Foundation.

Could the minister give us an outline of what projects have been undertaken by the Ontario Research Foundation since we last discussed it? I know they have undertaken several projects that are of interest to many people throughout the province. I was par-

ticularly interested in the progress they are making with a new concept in the recycling of water, or the treatment of sewage within a closed system.

I wonder if Mr. Stadelman or anybody else has an outline or any kind of report on the activities of the Ontario Research Foundation since we last spoke of it.

Hon. Mr. Bennett: Mr. Chairman, if we are getting into very specific projects—and I am not quite sure whether that is what the member for Thunder Bay is asking—

Mr. Stokes: Give us a rundown.

Hon. Mr. Bennett: A list of the projects? Again, Mr. Chairman, I would have to get a complete list of all the projects that have been undertaken by the Ontario Research Foundation. I can say from my very personal observations, having visited the Research Foundation on two occasions over the past year—

Mr. Stokes: I saw the minister's picture.

Mr. Bennett: Thank you. I hope it was in focus.

I have had the opportunity of looking at some of their experiments and long-range programmes, projects that were designed and brought forward by specific industries on a research fee basis.

One that comes to mind at the moment is related to fireproofing of canvas by an Ontario manufacturer. The research people were able to come up with a solution that gave the material its fire resistance and cut down on what I understand used to be a detrimental effect of fireproofing, the rapid rotting of canvas. That is one of the projects.

The recycling project is still moving along. I am informed they are advancing fairly well and they expect to have it in operation in some six to eight months' time. That relates to the specific recycling situation we were talking of.

Mr. Stokes: Yes, but does that mean this particular programme will have the ability to be adapted to the specific needs of an entire community? I understand the pilot project dealt specifically with an apartment block. I'm thinking in terms of utilizing that system for a community with an equivalent population—say a town of 1,000, 1,500 to 2,000. Could you adapt that kind of facility to that kind of need?

Hon. Mr. Bennett: I would have to go back, Mr. Stokes, if I could for a moment, to when the Research Foundation first started this on an individual unit basis—a home or cottage type of unit. It has proved very successful, and there is a licensing arrangement where the province could manufacture an installation now.

It goes on to the next type which is to serve the apartment block or a fairly congested area, and it would appear that it would work effectively. We can only say that the research will continue to see if a particular unit can be adjusted and designed to accommodate a population in communities of the size you have mentioned, of 1,000 to 1,500. There again, it's a research project and only time will tell us whether we can accomplish it.

Mr. Chairman, before we move off, I believe the member for Windsor-Walkerville asked me, as it relates to this vote, about the technology of environmental waste recycling. We have on several occasions met with community organizations, both commercial and private, in the field of waste control and recycling. We will continue to try and find Canadian manufacturers for some of these machines, which are being produced outside of Canada. We're trying to find people in the industry group in this province interested in doing just that. We are itemizing the products and the things that we require to complete the industrial scope of the province. This will be one that we shall be looking for—people either to do the engineering and improvement for Canadian design who want to get involved in licensing or a joint venture.

Mr. B. Newman: Thank you very much, Mr. Minister. I'm glad to see you're aware of this and that your officials have started to look into the programme. We certainly don't want to see all of the equipment purchased from American corporations if we can develop the technology here, or make licensing arrangements and manufacture the equipment in the Province of Ontario or in Canada.

Mr. Chairman: Will vote 2002 carry? The hon. member for Grey-Bruce.

Mr. J. E. Bullbrook (Sarnia): I just wanted to ask the minister if he would comment—

Mr. Chairman: The hon. member for Sarnia.

Mr. Bullbrook: Thank you sir. In connection with the cessation of activities of the building systems division of Polysar Ltd. of

Milton, how many employees have been discharged? What inventory loss is there? What assistance has been given them in connection with this? What liaison does this minister have with the Housing ministry in connection with the tragic developments in connection with Polysar's attempt at diversification?

Hon. Mr. Bennett: If I may just have a moment. I have been in touch with the "Petrosar" people in regards to their problem—

Mr. Bullbrook: Not "Petrosar", Polysar.

Hon. Mr. Bennett: Polysar, pardon me. When I was in Sarnia, in their discussions with us they told us they could not sell the units. Their inventory was far too high. The principals had decided to cease operations. We did discuss with them the possibilities of trying to maintain some of their staff so they wouldn't lose the technology and the expertise, and they did for a short period of time.

But just a week or 10 days ago they found they were beyond themselves in trying to maintain the corporate structure. I believe it was in the range of 250 people who were put out of work; and it is also my understanding, sir, that a great number of them have found alternative employment in the general community.

Mr. Bullbrook: Mr. Chairman, I wonder if you would allow me to continue in this respect? How many people, the minister understands a great number, have secured additional employment? The minister hasn't answered my last question. What liaison has the minister had with the Housing ministry? I want to enlarge that and ask the minister what liaison has he had with the Housing industry in connection with the development of the product of Polysar Building Systems—and I want the minister to know I am no instrument of advocacy for them, I am interested myself.

What inventory loss was there? You just have to drive by the place and know there is a great inventory loss. What has the minister done for them?

This is a sick industry, right? Here you have a major industry, funded to a great extent by the federal government, which attempted to diversify, and bought licensing arrangements in the United States, right? They brought them into Canada, they went into full production and they had no market.

Now I am interested in knowing what the minister did for them. I think the minister would want me to be content with a very peremptory response, but I can't be; here is where your ministry should really act.

About ten days ago, we were told they are folding their tent; and it bothers me that they are folding their tent.

This has nothing to do with my riding, but modular development, we were told by your Government Services minister several years ago, was of great advantage, was the new type of building. Now here is a new entry by a company prepared to expend millions of dollars in licensing fees and capital development in connection with modular building systems, and they have gone out of business. I want to know what we have done, I really am interested in this one.

Hon. Mr. Bennett: Mr. Chairman, the ministry, when it is advised—and sometimes we are not advised, we find out because our field representatives happen to be making their plant tours and visits — but we have become aware of some difficult situations with which the industry is now being confronted. This was one. We were aware of their situation many months ago. We intervened for them with other people in the industry, including mortgage people, because one of the big things they felt was holding them back was that they could not secure mortgages at a realistic rate. Secondly, they could not free up land quickly enough in some communities to go on with the building of the modular development as they had.

Mr. Bullbrook: Could the minister? Could the government? Not the minister, could the government?

Hon. Mr. Bennett: Could this government free up the land? I think if the member has been listening—

Mr. Bullbrook: Under the HOME project.

Hon. Mr. Bennett: I think it would be years —mind you, under the HOME project it is a matter of the contractor deciding on the type of unit and construction he wishes. Now I am not the one that is going to tell the member that the modular construction is the greatest thing that ever came to the face of the earth, because I don't know. But I could tell the member one thing, if I drive by that plant, as he has indicated he has, they really do not send me flying to buy one. That's a personal opinion. I would think from what their manager and their president have said to me that a degree of market acceptance

just didn't exist within the volumes they were producing. We tried to assist them in finding places to locate their buildings.

Mr. Bullbrook: Give me some specific examples of how the ministry tried to help them please.

Hon. Mr. Bennett: Mr. Chairman, if we are going to get into the specifics of this particular project, we will certainly have to go back and get the file out, because I don't carry that information with me.

Mr. Bullbrook: Would the minister do that for me before we recess tonight?

Hon. Mr. Bennett: I am not so sure, Mr. Chairman; I will ask the ministry people to see what they can do.

Mr. Bullbrook: The minister's deputy is before him. Would he permit me for a moment? May I? Would the minister yield to me for a moment? The deputy is before you, a man of great ability, and the minister has all his expertise with him.

I am really interested in this. I am interested in what we have done to assist this new concept in building. Because they attempted, as the minister knows, in Kitchener, to initiate some public response themselves. What did we do as a government in this connection? I really am interested, because it really is, I think, a dramatic new way of developing housing, and I wonder whether your ministry has liaison with Housing.

Now generalize with me for a moment on what the minister has done with the Housing Ministry. For example, amassing of land: In Sarnia they had a contract to buy some areas of land privately developed, and this fell awry because of the fact that they decided not to continue their own development.

But I am really interested in what the minister has done, if anything. I don't know whether I would have done anything as minister. But one would have thought that with this type of capital investment, this type of employment situation, you would have done everything possible to engender success.

I am really interested in knowing, having regard to what the government has said to us about modular development, what you would have done with Housing.

You talk about free land; there is a great deal of free land. I don't think that you would have any difficulty changing Housing's development policy connected with the HOME programme; or in saying let's go ahead in our senior citizens' programme, for example, under Community Social Services. The minister is right behind you. Why not some type of concept with utilization of modular development there? This is what I am interested in. What have you done, if anything?

If not, perhaps you can explain why not?

Hon. Mr. Bennett: Mr. Chairman, I will have to get my file and go through it point by point. I know for a fact that we are the contact point between various ministries of the government and the industry. We have discussed it with them, we have tried to find ways of being able to assist them in getting their entrée into some municipality.

The acceptance of the product, I think, has some part to play in it, and that's a very personal opinion. If I read between the lines about why we are overstocked, the overstocking did not only commence in the last six months, it commenced some time ago—but I shall ask my people to get the files so we can go over it with you.

Mr. Bullbrook: I am most interested in your personal opinion and I don't in any way detract from that personal opinion. But I am really interested, before we finish tonight, in having some response as to what you have done, what your people feel about this concept of modular development on the part of Polysar, and why in effect they went down.

I would think, frankly, that it is part of the sickness in the housing industry. I think probably that's the answer. If I had had that answer to begin with I probably would have accepted that. But I am really interested in knowing, when you start to rationalize about the lack of land availability—because when you talk about that, that's really tough to accept when I see some of the projects going on under the housing ministry now. Land availability can't be it. When I see the projects going on under Community and Social Services, land availability can't be it. It must be something very sick about the very concept. If it is, I am really interested in it.

Hon. Mr. Bennett: One final remark before I get my files. That was one of the major reasons Polysar gave us for closing up. They didn't go into receivership. They have not lost the knowledge or the expertise. The expertise is part of it.

Mr. Bullbrook: No. The government of Canada wouldn't let it go into receivership.

Hon. Mr. Bennett: Maybe not. There are a few other dollars involved in it as well.

Mr. Chairman: The hon. member for Thunder Bay.

Mr. Stokes: Thank you, Mr. Chairman. I want to ask the minister, under item 3 of this vote, about industrial development. Since your ministry has to become a partner to any development plans in the Province of Ontario, they wouldn't go forward without some kind of input or some kind of consultation with your ministry. When the minister goes around the province saying: "My ministry, Industry and Tourism, works vigorously to make certain that Ontario continues its considerable contribution to the health of the Canadian economy and to the economic good of the province's citizens"; I don't know whether the minister saw the item on CBC news last night about the particular plight of the town of Armstrong.

This is something that has concerned those people and myself for over a year now, since the announcement made by the federal government to close out the radar base. Since your policy minister, the Hon. Mr. Grossman, has indicated there is very close coordination with all the ministries within his policy field to come up with solutions to that particular problem, what kind of input has your ministry had in coming up with solutions to the economic ills of the town of Armstrong? What kind of assistance are you prepared to provide for an entrepreneur who is willing to go in there and establish some kind of industry, preferably a wood-using industry, involving the resources that are there in such abundance within close proximity to the town of Armstrong? And what dialogue have you had with your colleagues on this matter?

Hon. Mr. Bennett: Mr. Chairman, specifically relating to Armstrong, the ministry has been in with a number of its personnel to review the potential that is in Armstrong.

We've worked hand in hand with the Ministry of Natural Resources, the Ministry of Transportation and Communications, the Ministry of Agriculture and Food and others. We have gone into Armstrong and we've made inquiries regarding various types of industries we thought might have a potential to that community. The interest by the citizens themselves really did not prove that we were on the right course. We looked at the possibilities of converting some of the buildings into a motel or a housing unit, of a nature where people going to the north who wished to take part in hunting and fishing and things of that nature would have a place to stay.

All of the things that we touched on—and I say this most sincerely to the hon. member—just came back to us with a very poor economic potential. There was one we were working on with the Minister of Natural Resources—and I think he hopes to make some announcement or statement relating to it in the relatively near future—as to a co-operative position in the lumber industry that you, sir, have spoken to us about on more than one occasion. It appears that would likely be the most realistic application of the natural resources and manpower that exist in Armstrong at this time.

I very honestly say to the hon. member that if you have some suggestions or ideas as to what our ministry can do further we would welcome them. We've spent time, we've reviewed it with the people in that community, we have gone to Thunder Bay and discussed it with people in that part of the province to see if they had any input to it. Our field representatives have gone in on more than one occasion.

We've looked at the craft industry with some interest and some feeling that it could produce some very good jobs for the people in that area, and we have not met with the greatest acceptance by the people, relating to crafts. We know there are some difficulties in finding the right materials for the craft industry, but we think we might be able to overcome it.

I am anxiously waiting to see what the conclusion will be in the discussions with the Minister of Natural Resources and some of the people who have timber rights there at the moment.

Mr. Stokes: The obvious answer is to establish an industry based on resources that are already in place and that are going unused at the present time. Your ministry obviously must be privy to information that has been made available to the Minister of Natural Resources, where he's had three alternatives sitting on his desk now for a month. All I'm saying to both this government and the federal government is that the consequences of doing nothing are just so severe that it's almost repugnant to contemplate, because it's costing, in social terms, over $750,000 a year right now and it'll be well in excess of $1 million if you do nothing. You know what the degrading consequences are of a continued and perpetual existence based on welfare or some other form of social assistance.

Let's assume it's going to cost you $3 million to $5 million to give an economic base

to Armstrong. I suggest to you that that's much preferable to doing nothing and letting everybody in the community of Armstrong be a welfare statistic. The only thing they have to show for a lifetime of work is whatever equity they have in a very small and modest home—the value of which will be negligible—and it would cost them three or four times as much money to duplicate it if they were to relocate and be retrained for some other kind of work.

If we're going to open up the north we've got to make a commitment that we are going to assist small communities such as Armstrong to survive and to grow and to prosper. If you're going to open up the north, which is the new frontier where the future of Ontario lies, you must undertake to keep up the lines of transportation and the communications; and you need people there to do it. Armstrong is in a very strategic and a very vital area of the province.

If some of you think that I'm talking about something that's up near the North Pole, just take a look at a map of northern Ontario. It's much closer to the geographic centre of Ontario than Toronto is, or many of the other heavily populated areas. Just take a look at where Armstrong is. It's on the main line of the Canadian National Railways, it's in the heartland of our timber industry, it has tourist potential and it has mineral potential.

All we're asking is that you give the kind of attention to the problems of the people residing in Armstrong that they deserve. It's going to cost you anyway, so let's do something positive rather than doing nothing and having to pay the social consequences later on.

Mr. Chairman: The hon. member for Grey-Bruce.

Mr. Sargent: Mr. Chairman, these estimates are a new low in the estimates in the last 12 years. You have $20 million worth of personnel in your department—all key people—and they must be embarrassed at the way these estimates are presented tonight.

Mr. Chairman: Are you speaking on 2002?

Mr. Sargent: I don't know, Bill. What do you think I should speak on?

Mr. Chairman: I don't think you are.

Mr. Sargent: I'm talking about the discrepancy of $1.3 million in this vote.

Mr. E. M. Havrot (Timiskaming): It sounds like a stock market.

Mr. Sargent: Mr. Chairman, the Ontario Research Foundation item of $2,630,000; what was it last year?

Mr. Chairman: With great respect to the hon. member, this is not under this vote at all.

Mr. Sargent: Oh, Bill, look on page R-51, in the second vote, under industry technology development. Sharpen up.

Hon. Mr. Bennett: The comparable figure on the research last year—that is, that relates to the $2,630,000 that we're dealing with this year—was $2,464,000.

Mr. Sargent: You are asking for $2,630,000?

Hon. Mr. Bennett: That is correct, Mr. Chairman.

Mr. Sargent: It was more last year.

Hon. Mr. Bennett: No, Mr. Chairman, it was about $130,000 or $140,000 different.

Mr. Sargent: When you start doing your estimates, does the Premier tell you he wants you to knock off so much of your estimates, or what happens? Are you given a free hand to set your own estimates?

Hon. Mr. Bennett: Mr. Chairman, if Mr. Sargent were Premier and that was the way he wished to deal with the item, it would make ministers extremely happy.

Mr. Sargent: I don't understand you.

Hon. Mr. Bennett: Mr. Chairman, the ministry, along with those commissions that report to it, submit their initial estimates many months in advance. It goes through a series of meetings with the resource policy field on policies and priorities in management and eventually comes out as a completed document. It should be obvious to the members of this House that my initial requests of government and the Treasurer (Mr. White) for supplying funds to the ministry is not the figure before you tonight. It was considerably higher.

Mr. Chairman: The hon. member for Huron.

Mr. J. Riddell (Huron): Mr. Minister, I have had some discussion with your deputy on the closing down of the Eagle Machine plant in London. Would you elaborate on the reasons Eagle Machine closed down; why your ministry did not render assistance when they came to you asking for it; what happens to the unsecured loan of $500,000 that

was given to Eagle Machine through your ministry; and what has happened to the employees working at this particular plant?

It is a situation very similar to Hall Lamp at Huron Park. What happens to unsecured loans made to various companies when they go bankrupt?

Hon. Mr. Bennett: Mr. Chairman, we had long and interesting discussions with Eagle Machine Co. Ltd. of London, Ontario for some months. We have given them advice and guidance on their product. We gave them a $600,000 export support loan to allow them to export their equipment outside Canada.

It has become obvious in recent days that other financial institutions were asked to give them additional financial support. Within their terms of reference, the development corporation were not prepared to extend any further credit to Eagle Machine. There are several reasons for this. One is that the equipment they manufactured appears to have some shortcomings in its operation. Some of the equipment they sold and exported from Canada is still sitting at their dealers or at freight sheds in the countries of destination. A number of pieces of equipment they sold have since been returned to the London plant to be reworked in order to be usable for the operation they were originally designed for. The government, through its development corporation, may not get back any portion of the unsecured loan. But in most cases we have been able to secure a percentage for the development corporation's treasury fund.

Interjections by hon. members.

Mr. Bullbrook: Who are the principals of Eagle Machinery Co. Ltd.? Is one of the principals John Blunt, the same person as is principal in Homes Insulation, for whom you granted an exemption of $800,000 on the sale of Babcock and Wilcox?

Hon. Mr. Bennett: Mr. Chairman, I'll have to get that information. I do not have that file with me.

Mr. Bullbrook: That's twice now. On a point of order, this is twice now.

We're on the estimates, and I don't expect an assiduous, specific evaluation of detail. But I say this to you: I just asked very important questions about the concept of modular housing in the Province of Ontario, a new enterprise in our province brought forth by the Ministry of Government Services, inculcated by Polysar Ltd., a development with the federal government in equity participation. We have to get the file, we're going to get that file before this vote is over.

I want to know whether Blunt, with whom I was discussing his enterprises this afternoon, Homes Insulation, was a principal of Eagle Machinery. I want to know that and I think we're entitled to know that. Does my colleague agree we're entitled to know that?

Mr. Sargent: And if the minister doesn't know, who does know?

Mr. Bullbrook: I believe he was a principal of Eagle Machinery. I believe he was the president of Homes Insulation, the same company. We're dealing with $800,000 worth of tax exemptions. We're now dealing with $600,000 worth of lost loans. I am really interested in knowing this.

Mr. Sargent: It's the end of the pork barrel there.

Mr. Bullbrook: I don't know that; I don't know.

Mr. P. J. Yakabuski (Renfrew South): The member for Grey-Bruce should know.

Mr. Chairman: The member for Nipissing has the floor next.

Mr. R. S. Smith (Nipissing): The minister hasn't answered the question.

Hon. Mr. Bennett: I said I would secure the information.

Mr. Bullbrook: Mr. Chairman, being the advocate of all our rights, as you are, in a very dispassionate fashion, do I understand we'll get this before this vote is over?

Mr. Chairman: That was what the minister said.

Mr. Sargent: Yes, right.

Mr. Bullbrook: Thank you.

Mr. Chairman: Actually the member for Thunder Bay should have the floor.

Mr. Sargent: On a point of order, Mr. Chairman.

Mr. Chairman: What is your point of order?

Mr. Sargent: My point of order is this, that my colleague asked the question: "Yes or no, do you know the man?" And the minister would not answer.

Mr. Bullbrook: No, he doesn't.

Mr. Sargent: He doesn't know the answer?

Mr. Stokes: He said he would get the information.

Mr. Chairman: He didn't ask that question at all.

Mr. Sargent: My apologies.

Mr. Chairman: I am sure the member for Thunder Bay won't mind yielding the floor to the member for Nipissing. We're all happy to see him back in the Legislature taking part in the debate. I'm sure the member will yield the floor to him. The member for Nipissing.

Mr. R. S. Smith: I just have a short question. It's in regard to venture capital funding—not within your ministry but outside venture capital funding—which could well come under this vote or some other. I presume we might just as well do it here.

In the windup of the Throne Speech debate in 1972, the Premier charged the responsibility to your ministry to develop an investment capital information service. I would like to know just what has been done since that time. Since then, the select committee on economic and cultural nationalism has made some remarks in regard to this. I don't know if you've read the reports or not, but it's obvious that many people haven't, and many people in government perhaps should read them because they do make fair reading. They do make some rather specific recommendations.

The committee said that on the basis of the observations they had made it was clear to the committee there was a critical need to develop an intermediary between businessmen who were in need of financing and potential sources of venture capital. That went along with the statement of the Premier in 1972; which was a direction, I thought, to your ministry. As far as we know, this intermediary setup has not been established nor has there been any effort on the part of your ministry to formulate some type of a policy by which the people who need venture capital and those who are offering venture capital can be brought together.

The committee recommended that priority be given to the development of an effective institutional process, designed on the one hand to inform those in need of financing about the potential sources of venture capital and to improve their ability in making attractive and effective presentations to these sources; and on the other hand to bring sources of venture financing into contact with those requiring it.

In other words, what we are trying to do is ask your ministry to do as they were directed to do by the Premier in 1972 and set up this type of organization within the ministry, whereby you would have a listing of those people with venture capital available; and you would have, on the other hand, an established bureaucracy, I suppose of civil servants who would assist those in need of venture capital in making application to those firms who have the venture capital available.

By letter of March 12, 1973, you yourself intervened in this matter and wrote to the committee on cultural and economic nationalism, indicating that at this time you didn't believe you could follow the direction of the Premier because you didn't have enough information available to you. You said that venture capital people don't want to be known; they don't want to have it made public that they have venture capital available.

Well I totally disagree with that because the people who have money to lend, whether it be venture capital or otherwise, do want it known to the sources who are looking for it, because no matter what you have for sale or to lend or for whatever it is, if nobody knows about it, you might as well hide it under the pillow—of course, maybe some of this money is coming from under there, I don't know.

On the other hand, people who are in a venture capital business want those people who are looking for venture capital to know where they are and how much they have available. So that part of your letter is just ridiculous.

You went on to say you were waiting for a report of a Prof. Russell Knight that was to be made available in July, 1973, and that you were going to depend on that report for the development of a programme within your ministry. That report should have been available a year and three months ago, according to your letter of March, 1973. Since that time, I have not heard of any movement within your ministry to set up such a body that would bring together the venture capital lender and those who are looking for that type of financing.

I wonder if the minister would comment on this and tell us when he is going to follow the direction from the Premier and when he is going to follow the recommendations of the

report; and what happened to Prof. Knight's report, which I have never seen.

Hon. Mr. Bennett: Mr. Chairman, as to the venture capital question, we are in the process at this very time putting together some new financing programmes for the Ontario Development Corp. and its two sister corporations.

Mr. Sargent: Ah come on.

Hon. Mr. Bennett: Just a moment, just a moment.

Mr. R. S. Smith: I am talking about private venture capital, not about what you're trying to do within your ministry.

Hon. Mr. Bennett: Mr. Chairman, I will speak just for a moment on private venture capital because we have talked to the banks and we have talked to the other willing institutions; and one of the big problems we have with them is the interest factor they charge on venture capital loans.

You said a minute ago that I made the remark that venture capital firms really do not want to be known. In a great number of cases that is absolutely correct. They go out and try to seek for themselves, without being known publicly, operations or opportunities for their investment.

The member may mean that Roynat and a few of the others are venture capital loan companies, and I suppose they are; but at the interest rate they charge there are few people wanting venture capital at that price, because they also are entering into an area with some uncertainty. I am convinced that if venture capital and projects of that nature are to be beneficial to the province, then the Ontario Development Corp. has to design a much more effective programme to assist in this area.

You say the Premier instructed us—That is correct. I reported to the Premier not so many weeks ago that we will be coming forward to policy field cabinet and Management Board with what we believe will be a very effective programme.

Mr. R. S. Smith: That is 28 months ago.

Hon. Mr. Bennett: That is very true. But in that period we have implemented a fair number of programes. Each one we want to see on stream, and successfully.

Mr. R. S. Smith: Obviously, in spite of the instruction from the Premier—and that's what it amounted to for your ministry—and the recommendations of Mr. Knight, which I haven't seen but which I presume agreed with what the Premier had indicated and what Treasury and Economics were trying to do in their overall picture; plus the recommendations of the select committee; despite all that there still has not been any development of this nature within your ministry.

It's coming now; but obviously it's very hard to agree with you that people who have venture capital don't want people to know who they are. They are in the business of lending money; and the people in the business of lending money, no matter what kind of money it is, like to know where their customers are; and the customers looking for this type of money like to know where the lenders are.

We are asking that your ministry bring the two together and help those people who are trying to find this type of money make the application to the venture capital people who have the money. We have no evidence to show this is what is going on.

Hon. Mr. Bennett: Mr. Chairman, that is correct. That is one of the services of the industrial officers, the tourism officers and the loan corporation officers.

We know some of the venture capital programmes available across Ontario and in Canada. There are also a number of people from foreign lands that would like to get involved in venture capital. They come and put their names before us. They do not go out and bandy it about, but a government agency seems to be one agency they can use. Some banks will select venture capital companies to recommend you to if you are looking for that type of funds.

We do try to relate venture capital requests to a particular venture capital loan corporation we know is operating effectively and will likely give the applicant a fair shake. But if we are going to be effective in designing and developing better venture capital operations in this province, we are likely going to have to put more money into that area through the ODC.

Venture capital loans are not as simple a programme as some would like us to believe. When I first started discussing it with people it was like water rolling off a duck's back, a very simple situation. As you get into it deeper with your finance people you find there are some areas you had better be very cautious about. It has taken us time. We have implemented two or three other new programmes in ODC. This is one we hope we will have in place before too many weeks pass.

Mr. R. S. Smith: There are venture capital people in this province who have come to us and indicated they have not had the support of government in finding places for their money. There are many small and medium-size businessmen in need of venture capital who can't find it. They have come to your ministry and have not been able to get assistance.

If the government is going to be in the venture capital business it then has to start to take equity. Obviously a great number of ventures you are going to be called upon to go into are going to be rather, shall we say, shaky investments. You are going to get what is left over from private venture capital. Therefore the only reasonable return you could expect is if you take an equity position in the companies involved.

I would like the minister to indicate whether, in his venture capital setup under ODC, it is going to be the policy of the government to take equity positions in the companies in which they are going to invest—particularly when there is going to be a large element of risk of the taxpayers' money.

Hon. Mr. Bennett: This is just one of the many suggestions that have been proposed, Mr. Chairman. It could very well be that as we present our position to policy field, then to cabinet, it might be that the government would take an equity position. There has been no policy decision levied in that particular area but it is certainly being given consideration.

Mr. R. S. Smith: But certainly it is fundamental to the investment of what can be termed risk capital that you do take an equity position. Without that you are just taking the taxpayers' money and fiddling it away in many instances. Although the return might be great for the private investor, the return for the taxpayer will be negligible, whether the thing is successful or not, unless you do take an equity position.

Mr. Stokes: One brief comment under this vote and then I am prepared to let it go.

You have $190,000 for services industries development this year where you had none last year; you had $166,000 for business development last year but nothing to replace it this year. It would be much easier for those charged with the responsibility of following these programmes if the minister would give us some kind of information as to the directions you are trying to take.

You thought last year that business development was $166,000, but this year you say it is not worth anything. You didn't even think of service industry development last year, but this year you are asking for another $190,000. What is the rationale?

Hon. Mr. Bennett: Mr. Chairman, I am sure members of this House will recall a year ago when we were discussing estimates we touched on service industries and the fact that this ministry had not really concentrated to any extent in trying to support or advance service industries across Ontario. We indicated clearly at that time we were in the process of establishing a new division, or branch if you wish, that would zero in specifically on service industries. That is why we have the $190,000 requirement here.

As for business development, that has been transferred back into operations.

Mr. Chairman: Would it be agreeable to the members if vote 2002 carried at this time?

Hon. Mr. Bennett: May I make one comment to the member for Sarnia, if I may Mr. Chairman, on the two questions he raised? The questions the member raised both relate to ODC and I would suggest, sir, that we deal with those under the Ontario development vote that we will be coming to.

Mr. Sargent: You may not get to it.

Mr. Chairman: Would it be agreeable to the member for Sarnia if the minister did that? He wishes to comment specifically on two questions that were asked.

Mr. Bullbrook: No, I think what would be agreeable to me, since we have a time limitation—and this is subject, of course, to the advice of my colleague from Kent who leads us in our responsibilities in the House—I would think that we are prepared to pass onto any vote; but we want a significant note on Polysar and your responsibilities in connection with Polysar and the modular development.

I think secondly we want to have some discussion about the coincidental involvement, as I understand it, of Mr. Blunt with both the Babcock Wilcox situation and the Eagle Machinery situation. If you are agreeable to that, when you are able to respond to us, subject to my colleague's direction to me, then we have no limitation on that debate; that is fine, Mr. Chairman, I have no reticence at all.

Mr. Chairman: The hon. member for High Park.

Mr. Bullbrook: Do we have that understanding? We have that understanding; fine.

Hon. Mr. Bennett: The part on limitation, sir, does not rest with the minister that is speaking at this moment. That is the House leader—

Mr. Bullbrook: No? Then the government has to have a House leader. We have a House leader and I say to you the government has to have a House leader.

Mr. Chairman: Order; order please.

Mr. Bullbrook: Well, sir, please; all right, fine.

Mr. Chairman: Just a minute. Would the minister undertake to get those answers to the two questions the member for Sarnia is asking? Before the estimates are over?

Mr. Bullbrook: Mr. Chairman, I appreciate very much your consideration about government and opposition. I don't want to be just restricted to getting the answers; and find myself, at 10.29, being given some response. I want to be able to respond to that.

What I am saying, sir, is that since there should be a House leader here on behalf of the government, that we have an understanding.

I yield to my colleague, the member for Kent, who leads the House on our behalf and who has instructed me to say that we are prepared to do that. If we have a meeting of the minds, that is fine, but I just don't want the answer at 10:29 when I will not be able to respond to it.

Mr. Chairman: I don't think the minister would give you an undertaking you would get an answer at 10:29.

Mr. Bullbrook: On a point of order then, sir, if I may, is there a House leader? Is there a government House leader?

Mr. Chairman: I don't know if there is a House leader or not, but there is a chairman here and I am going to make the ruling as chairman, with the support of the House.

Mr. Bullbrook: All right. Mr. Chairman, further to my point of order, you ask me to indulge the House in permitting this vote to go by if necessary. I am so prepared if the minister will assure us that we have ample time to debate the questions that I brought up; and I say most charitably that he must have time to get the answers for us.

Mr. Chairman: That is right. That is what I asked the member in the first place—would he be willing to pass vote 2002 subject to other speakers, if the minister provides the House with answers which can then be debated at that time? Okay?

Mr. Bullbrook: All right, sir.

Mr. Chairman: The member for High Park.

Mr. M. Shulman (High Park): Can the minister advise me what aid has been given to Levi Strauss?

Hon. Mr. Bennett: Mr. Chairman, again we are dealing with an item that is under ODC.

Mr. R. S. Smith: I think we should wait for ODC altogether.

Hon. Mr. Bennett: I would ask that question be deferred until we are on the ODC, so we will have the information for the member.

Mr. Sargent: We are not going to get to ODC, Mr. Chairman.

Hon. Mr. Bennett: I certainly hope we will.

Mr. Stokes: If we pass this one, we might.

Mr. Shulman: Has some specific aid been given to Levi Strauss under this particular vote, outside of ODC?

Hon. Mr. Bennett: Mr. Chairman, I know the point we are getting at is about another firm that is ceasing operations in the city of Toronto—

Mr. Shulman: Three other firms.

Hon. Mr. Bennett: —which has indicated clearly about the application of funds coming in. We have provided no funds to Levi Strauss but I can tell you there are other arrangements through DREE where funds have been provided to them.

Mr. Shulman: This ministry has provided no provincial funds?

Hon. Mr. Bennett: My understanding is that the Ontario Development Corp. has not put any funds into it; there have been federal funds directed to it.

Mr. Shulman: But no provincial funds, you are saying?

Hon. Mr. Bennett: That is correct.

Mr. Shulman: That just isn't correct.

Mr. Chairman: The hon. member for Ottawa South.

Mr. A. J. Roy (Ottawa East): No, Ottawa East.

Mr. Chairman: East.

Mr. Roy: Mr. Chairman, the member for Ottawa South is the minister; that little fellow there.

Mr. Sargent: He is getting littler all the time too.

Mr. Roy: No, Claude is a good fellow.

Mr. Chairman, what I want to discuss especially deals with business development pertaining particularly to the question of my riding. I understand that some municipal politicians from my riding have approached the minister about getting some assistance to develop the core of Vanier. As you know, there is an urban renewal plan going on there and of concern to him is the business aspect of the city centre.

Mr. Chairman, I want to make sure I am on the right vote here. As I look under the question of business development, I just wonder whether assistance is given by this ministry to, for instance municipalities; not only in the form of money but in the form of directives, information and this type of thing.

Hon. Mr. Bennett: In respect of money we are looking at some assistance programmes that will assist in infrastructure for municipally owned industrial parks. We have not, through my ministry, become directly involved in the capitalizing of municipal projects such as a stadium or civic centre. We are prepared and we have a lot of communities across the province advised as to what we believe are the essential services and the type of structure they should have in their community if they are to make the best possible use of it as a trade centre or as a recreational centre; and one which we hope would have some tourism advantages to it.

Mr. Roy: Well, my great concern and the point I want to put to the minister, is that I understood from some of the municipal politicians in Vanier they had discussed with you the question of the development of the core area of Vanier, including what sort of assistance was available from the government to help businesses to locate in Vanier. As I mentioned earlier, there is a major plan being prepared, for the development of the business section of Vanier, especially for the area with which the minister is familiar, the whole Montreal Rd. area.

Mr. Chairman, what is of great concern to me is that I have been advised that these people have approached you in relation to receiving certain assistance—and I put this to the minister in a guarded sort of form—and one of the responses that they have received from you is that things would go a lot smoother for Vanier and that particular area of my riding if they were in fact represented by a Tory.

Mr. Sargent: Shame, shame.

Mr. Roy: That is of concern to me—

Mr. Sargent: Did he say that?

Mr. Roy: That information has been given to me—in confidence, of course, as emanating from you. As you know, Mr. Chairman, we have heard this sort of thing in the last little while, especially in the Stormont by-election. We have long suspected that this sort of wheeling and dealing in the background was going on to some degree. We have heard your predecessor, the former Minister of Industry and Tourism, saying: "Well, Bill Davis is human. If you don't elect a Tory here it's going to be difficult in terms of grants for Cornwall."

I had heard the story from certain municipal politicians that this kind of statement emanated from you; and I just want you, as the minister, to advise me that that is not a factor, that it is not a policy of your department to give added consideration to a particular area because it is represented by a member of any party, and certainly that favouritism is not shown because one is represented by a member of the Conservative Party.

Hon. Mr. Bennett: Mr. Chairman, my riding touches on the border of Vanier, and I can assure the member for Ottawa East that at no time has any member of the municipal council in Vanier discussed with me the possibilities of our ministry participating in any programme involving a municipal structure or development in the core area. The mayor called me on one occasion, but it related to extra moneys for sewer development in his community. But at no time has the mayor or any member of his council ever asked for my opinion, the ministry's opinion or our thoughts in a very general way as to the redevelopment of the central

core area of Vanier with a municipal building or civic complex being there.

Mr. Roy: Well, I just want to be clear on that point. You are currently the only minister from Ottawa—well, there is your colleague, the member for Carleton (Mr. Handleman), who is not well and has had this unfortunate problem, and we know what happened to Mr. Lawrence—

Mr. M. Cassidy (Ottawa Centre): And this guy may stay that way for a long time as well.

An hon. member: Until Nov. 7.

Mr. Roy: You are the minister that the municipal politicians look to as being, let's say, the door to Queen's Park. It may well be they have approached you, but not in relation to one of your government programmes, and I just want to be assured by the minister that, whether it was in relation to the programme that I have mentioned or any other programme within your department, they are not advised that things would go smoother or better if they were represented by a Tory.

Hon. Mr. Bennett: I repeat very clearly, Mr. Chairman, that no member of council in the city of Vanier, from the mayor down, has discussed any project with me—

Mr. Sargent: Did you say it?

Hon. Mr. Bennett: I can assure you, sir, that if anyone approaches my ministry—and I am sure there are many members of the opposition who have paid a visit to us to get certain projects under way in their communities—we deal with them on an impartial basis, giving them all fair consideration as to the economic development of that community and what it will do for industry and tourism in a general way for the province.

Mr. Chairman: The hon. member for Nipissing.

Mr. R. S. Smith: When you commented during the discussion regarding establishment of industrial parks and infrastructure for those parks, were you referring to the announcement I think the Treasurer made a few days ago about the industrial parks programme the government is endeavouring to bring about? Secondly, will this industrial parks programme be a part of the DREE agreement for northeastern Ontario? If so, has the federal government been approached on that basis for the DREE agreement in northeastern Ontario?

Hon. Mr. Bennett: Mr. Chairman, we are negotiating with DREE. We have been for some time relating to specific areas of the province. But as I travelled through the province over the last two summers and talked with municipal politicians about some of the drawbacks in their communities for acquiring new industries—and the member for Thunder Bay has been with me in his constituency when the expression was made to us with a great deal of force—we found the thing they are lacking is serviced industrial land immediately available for locating new industry.

Obviously, servicing the infrastructure for municipally owned industrial parks does not really take as high a priority in municipal budgetting as, let's say, a swimming pool or a hockey rink or some of the more visible and tangible assets that serve the general public on a day-to-day basis.

It's a very general statement and I'm not backing away from it, because in most cases that is exactly the position you will find them in. Realizing that, I think it is necessary that this government, through a special programme, provide funds for those municipalities where we believe it essential that we have serviced industrial lands ready so we can locate industry when it shows interest. I think that is pretty much the same programme the Treasurer spoke about here a few days ago. The two ministries have been putting their heads together, along with others, in trying to design the structure.

I have sent letters to many municipal leaders—reeves, wardens, chairmen or mayors—and asked them for their input from their municipal council as to how they see the infrastructure policy working in their community. I asked for suggestions and ideas, as I travelled during the summer, from the mayors we happened to meet with. Some of the information we are getting back should produce a very effective programme.

Mr. R. S. Smith: The specific question I asked which you avoided was: Have you discussed this matter with the DREE people from Ottawa? Obviously you are going to be looking for 50-50 agreement for the funds to establish these industrial parks. As far as I know, in my discussions with the DREE people in Ottawa, the Treasurer's announcement came out of the blue—they had not been forewarned, nor were they aware that you people were working on that type of agreement.

Hon. Mr. Bennett: Mr. Chairman, we have had ongoing discussions with DREE relating to general policies, on infrastructure for industrial parks and other capital programmes.

Mr. R. S. Smith: I am asking you specifically about infrastructure for industrial parks.

Hon. Mr. Bennett: Yes.

Mr. R. S. Smith: Have you had discussions with—

Hon. Mr. Bennett: Yes, we have had discussions—

Mr. Stokes: Just on capital costs, though.

Hon. Mr. Bennett: Well, infrastructure costs, if that is what you are referring to as capital costs. If you are referring to the capital costs of purchasing industrial land, that is not one of the areas we have been pursuing.

Mr. Roy: Mr. Chairman, the minister was in the House during the question period when my leader was asking the Minister of Housing (Mr. Irvine) about the acquisition of some 10,000 acres in that member's own riding. I recall you making some comment about that some time ago. Do you know what is going on there? Is it land that has been put together or expropriated, or assembled for an industrial park?

Hon. Mr. Bennett: Mr. Chairman, I obviously know of no expropriation from my travelling through that constituency. I am aware of the fact that somebody is taking options on a great deal of land in that community.

Mr. Roy: Do you know who it is?

Hon. Mr. Bennett: I have no idea. I repeat in this House, as I have on the outside to newspapers and so on, that my ministry has never been asked whether it would be a good location for an industrial development park or anything of that nature. I have absolutely no idea who is buying the land, for what purpose, or at what price.

Mr. Roy: Could you answer a couple of questions? Presently the land is zoned in what way? Is it farm, agricultural purposes or what? Secondly, you said your ministry has not been approached for any assistance regarding this assembly. Is it a good area for industrial development? Thirdly, have you undertaken any inquiry to determine what in fact is going on there?

Mr. Cassidy: And if not, why not?

Mr. Roy: Yes, that too.

Hon. Mr. Bennett: I have indicated clearly that both from a personal, a minister's, and a ministry's point of view we have not been asked for any information or input into the development. We have inquired through the various ministries of the government as to whether any one of our ministries should be acquiring it or having somebody acquire it, and we have been advised that that is not the case.

As to the other thing on zoning, I have no idea what the zoning currently is on the land.

Mr. Roy: Would it be a good industrial area or a good place to have an industrial complex?

Hon. Mr. Bennett: That question, Mr. Chairman, obviously I'm not prepared to answer at this point. We have not gone down as a ministry to review the situation to see what potential it has, what the serviceability of the land is, and its proximity to other very important things for industrial development.

Mr. Roy: Does it not concern you as a minister? There seems to be some developing going on and nobody seems to know what is going on. We had the charade here this afternoon with the Minister of Housing. There seems to be some sort of nonchalant attitude about a large assembly that is going on with nobody really caring too much.

You always prided yourself as a government and as ministers of running the show around here and yet there is something that is going on. What's the mystery behind the whole thing? There seems to be a lack of any initiative on the part of anyone even to investigate this situation. It makes one very cynical and very suspicious about the government approach to particular projects.

We've seen it happen before. You know what happened, for instance, in Marlborough. It had to be the newspapers and certain individuals who got involved in a situation before the government brought its mind to that problem about a company which was trying to circumvent the Planning Act.

Surely we should be looking at this type of situation before we have another situation like Marlborough, or, as my leader mentioned, Century City or whatever they might call it.

Mr. P. G. Givens (York-Forest Hill): Or another royal commission.

Mr. Roy: Or another royal commission as my colleague said. What is wrong with you guys there?

Mr. Reilly: There's nobody arguing with you. What are you stalling for?

Mr. Roy: I'm not stalling.

Mr. Chairman: The hon. member for Ottawa Centre.

Mr. Cassidy: Thank you, Mr. Chairman. I wanted to direct a question to the minister about the way in which—I'm changing the subject a bit; I'm going back to where we were before—the funding of these industrial park expansions is going to be related to economic planning for the eastern part of the province. I'm taking that part in particular. I know that the minister's last innovation before he left municipal politics was an industrial park which the city of Ottawa did, and he has brought this up to the provincial sphere. Will these industrial park expansions financed with provincial funds fit in with provincial planning, and, if so, how is that being done?

Hon. Mr. Bennett: Mr. Chairman, I haven't commented on municipal industrial park expansion. I very carefully dealt with the field of infrastructure on municipally owned industrial lands that they presently own and are properly zoned for that purpose. We have not applied ourselves to getting into the expansion. If a municipality believes it needs extra industrial land owned by it, we are prepared as a ministry to sit down with it and review the necessary requirements. But, at the moment, and I have said this openly before and I repeat it, I have not given any indication to municipal leaders that this government is getting involved in the land acquisition or the capitalized cost thereof. We are interested in trying to serve industrial lands that they presently own and that are sitting idle.

Mr. Cassidy: Could the minister say, though, what will the government do for a municipality that doesn't happen to own any industrial land? Are there not many major municipalities in the eastern region of the province that don't happen to have industrial lands which are owned by the municipality but which would like to ensure the provision of more industrial land which is serviced?

Hon. Mr. Bennett: Mr. Chairman, I said very clearly that we are prepared to sit down and review with those municipalities their need for industrial land. I can honestly say that most municipalities have acquired industrial land under their ownership, but they have not gone the second step of servicing, and it really doesn't prove to be much of an asset until it does have the services in the ground and it is ready for use.

There is a municipality, one of a fair size in fairly close proximity to Toronto, within 100 miles, which has said to us that it would like to get in some more industrial lands for the municipality but it is running into a problem with the township that is right adjacent to it. The land they are trying to purchase will be in the township and not within their municipality. We have clearly indicated to both the township and to the municipality that, through the services of the ministry and the knowledge that we have, we are prepared to sit and review it with them to see how we can, if it is necessary, bring it into the ownership of one or the other government.

Mr. Cassidy: Is the minister familiar with the problem at Smiths Falls, where the industrial land in the municipality adjoins land in the township which could be easily serviced but which obviously doesn't belong to the municipality nor is it a part of the municipality, and where, for a lengthy peroid of time, the word from Queen's Park was always not to annex the land but to extend services across town to some industrial land which was at the far and remote end?

Is the minister prepared to cut the knot on situations like that? That is one question. The second thing is, does the ministry intend to give grants or loans to municipalities that want to service privately owned land, or will this only be on publicly owned land?

The third question is, what would be the approximate interest rate on the loans that are given to municipalities to provide infrastructure for this industrial land?

Hon. Mr. Bennett: Yes, I am aware of the situation that developed in Smiths Falls, and I think if you go back and check the record you will find that this minister became a very active participant in trying to clear up the difficulties that were being experienced.

Mr. Cassidy: After the member for Scarborough West (Mr. Lewis) and I went there.

Hon. Mr. Bennett: Long before you went there, so don't worry about that one. Long before you went there, and we had it well under way. There is a situation—

Mr. Cassidy: They didn't mention it when we talked to the mayor.

Hon. Mr. Bennett: I am not going to get dragged into that particular situation.

Mr. Cassidy: The mayor was in the process of leaving the Conservative Party over the problem.

Hon. Mr. Bennett: It is obvious, Mr. Chairman, there was a difference of opinion between the Smiths Falls group, that is, the council of Smiths Falls, and the township council. It took some time to get the two of them to put their heads together to agree on how this should come about, and to show them very clearly the economic advantages of opening up this industrial land. Time did prove to be right and they did move with it, and I think it is going to be a very profitable move for Smiths Falls and the township both.

Referring to the second question, we are not in the grant business nor do we want to get back into it. We will be in the loan business and the rate of interest will be a position determined by cabinet and announced to this House in due course.

Mr. Chairman: The hon. member for Nipissing.

Mr. R. S. Smith: The minister says he is not in the grant business and yet a while ago he said he was discussing this matter with DREE. When you talk about DREE you are talking about grants for infrastructure. You may not be in the grant business as far as those municipalities that are not covered by the DREE 10-year agreement are concerned, but for eastern, northern, northwestern and northeastern Ontario, there is a 10-year agreement between yourselves and DREE, under which you can enter into specific agreements for infrastructure in this type of industrial park, where you will be in the grant business.

What I would like to know is, how far advanced are you in that type of agreement for the municipalities in northeastern Ontario? When can they expect to have replies to the submissions that many of them have made to you and the other ministries and to the government—maybe not directly to you but to the government—regarding the general agreement between DREE and yourselves, and what will be done?

Hon. Mr. Bennett: Mr. Chairman, the negotiations on the DREE agreement took place with the Ministry of Treasury, Economics and Intergovernmental Affairs and, as you know, the signings of the agreements in Cornwall and Thunder Bay were both carried out by the Treasurer of the province and not by the Ministry of Industry and Tourism.

Mr. R. S. Smith: But you must have some idea.

Hon. Mr. Bennett: We had an input. We were consulted on various steps along the way as to how we saw the programme being applied.

We in the Ministry of Industry and Tourism are not involved in that grant situation at all. That is truly 100 per cent the Treasurer's responsibility. We become involved in this new programme in lending funds to municipalities. We are not going to bring back the grant situation into the ministry. If there are grants to be given it will come from Treasury and their agreement with DREE.

In answer to the second question, how soon might they expect a definite reply? That is one that I'm not able to answer. The Treasurer might be in a better position, but it takes time to get people down to signing agreements and agreeing on some of the terms. And not always are the province and the federal government of the same mind on how a subject should be developed and improved.

Mr. R. S. Smith: Okay, I'll ask this question then: At what point, insofar as your input into that agreement is concerned, do you believe the agreements have progressed? In other words, your ministry has an input all along the way; as far as you know up to now, at what point are those agreements? Are they a long way off, are they six months off, are they a year off? You should know that because that's part of your industrial strategy. And you can't be forming much of an industrial strategy for northeastern Ontario if your input and that of the minister who sits beside you is not together.

Hon. Mr. Bennett: Mr. Chairman, we've had our input and we've made our position clear with the Treasurer. He has gone to Ottawa to discuss it with DREE.

As to what position they're at at this day, including their agreements, I could not tell you, other than to say that one of the reasons that we're designing the municipal industrial park infrastructure programme is to take over in areas where a DREE agreement is not likely to come into being for some extended period of time. We think we must have an alternative available to municipalities so they can move now and not have to have everybody waiting until the province

and the federal government conclude their agreements on the DREE programmes.

Mr. R. S. Smith: In other words, the industrial parks could be set up all over the province except in the areas where the DREE agreement applies where they're needed the worst?

Hon. Mr. Bennett: No, not necessarily, Mr. Chairman. It could very well be that the municipality could see their position in not wishing to wait for DREE, because it's going to be too long a period of time. And while they have a programme that appears to give them—and we sincerely believe it will—the requirements of putting their industrial land on the market serviced, they might want to take advantage of it.

I can only say that as far as interest rates are concerned, they will be in a nominal position that will not be overtaxing nor add significantly to the cost of putting industrial land available on the market in Ontario.

Mr. R. S. Smith: Might the minister not agree that the reason they're not getting anywhere with DREE is because it's never been presented to them?

Hon. Mr. Bennett: No, I wouldn't, Mr. Chairman.

Mr. Chairman: The hon. member for Grey-Bruce.

Mr. Sargent: It's okay, Mr. Chairman, on this vote. I'll move that the vote be passed if there's no further debate on it, with the proviso that the vote is $1.261 million in error. I'll move that vote be passed. Let the record show that the estimates are wrong by $1.261 million.

Mr. Chairman: Under vote 2002?

Mr. Sargent: That's right, sir.

Hon. Mr. Bennett: Mr. Chairman, the vote that's being presented—I take it the hon. member is referring to the $4,792,000, are you, sir?

Mr. Sargent: That's right.

Hon. Mr. Bennett: That, sir, in the opinion of the ministry, is the appropriate figure being requested under vote 2002.

Mr. Sargent: Mr. Chairman, may I respectfully say again, let the record show the estimates of 1973-1974 were $5,935,000 and you show them as $4,674,000—a discrepancy of $1.261 million. For the record let it stand. I move the vote be passed.

Mr. Chairman: Have you totalled the 1973-1974 estimates?

Mr. Sargent: Yes, we have, sir. I'll show them to you.

Mr. Chairman: What do they total—$4,674,000?

Mr. Sargent: The 1973-1974 estimates are $5,935,000.

Mr. Chairman: As per the book here?

Mr. Sargent: As per last year's estimates.

Mr. Chairman: Well, the total here seems to agree with the figures that I have. I don't know where you're—

Mr. Sargent: I will show them to you. Do you want them down there?

Mr. Chairman: Can we have an explanation for the discrepancy?

Mr. Sargent: Did you just come into the House? We've been talking about this all night.

Mr. Chairman: That's right.

Hon. Mr. Bennett: Mr. Chairman, I have explained—I guess, this is the third or fourth occasion in our votes tonight—that in the reorganization there are great changes, and that it's very seldom possible that with the reorganization votes can be exactly the same from one year to the next. I have indicated to the member that our budget last year was $64,502,000 and, if you add up all of the estimates shown under the column, "1973-1974 estimates," you'll find that at the end we'd $64,502,000. What we tried to do is relate last year's votes, to the votes that we're taking this year, to give some comparison, some help to the members to understand the budgeting programme.

Mr. Sargent: Ah, come on, you're not helping us with it, you're confusing us. The record shows you're completely wrong by $1.261 million. Don't be stupid! It is there in front of you, can't you read?

Mr. Chairman: Well, we're dealing with the 1974-1975 estimates, we're not dealing with 1973-1974.

Mr. Sargent: I know we are! I just made it for the record so everybody can keep track of what is going on. Answer that now.

Mr. Chairman: All right. Any further discussion on vote 2002?

Mr. Shulman: Mr. Chairman, earlier in this vote I asked about Levi Strauss and the minister got up and said no Ontario money was given to Levi Strauss. Does he still stand by that?

Hon. Mr. Bennett: Mr. Chairman, that is information that the people in the ODC gave to me; that's correct.

Mr. Shulman: What about the $100,000 you gave them a year and a half ago? The cheque was made out to their subsidiary in Brantford, Great West Garments. What do you say about that?

Hon. Mr. Bennett: Just a moment, are we dealing with one company or are we dealing with several?

Mr. Shulman: One company, Levi Strauss.

Hon. Mr. Bennett: And you are talking about—

Mr. Shulman: I am talking about their wholly owned subsidiary, Great West Garments. What difference does it make who you make the cheque out to?

Hon. Mr. Bennett: Mr. Chairman, with great respect to this House, there are many corporate structures across this province and if you're naming one, you had better get the right one.

Mr. Shulman: Well, I am getting the right one. I am talking about Levi Strauss. How much money have you given them and how many people in Ontario have you put out of work as a result of giving them the money? That's what I want to know!

Hon. Mr. Bennett: Mr. Chairman, again we're getting into a specific field and I will get the file. I could say to the House very clearly, that while there are some people complaining about the lack of funds being given to them, or that we help competition in this province, clearly and distinctly there is a manpower shortage in the very industry that we're complaining about.

Money was given to certain companies in the garment industry to come in here. It was given to them not only by this province but by the federal government as well, through their DREE programme. It was given for one clear reason. The very companies were importing large volumes of garments into Canada and this was one way of trying to curtail that and put the manufacturing of those garments that were being consumed in this province here with the people of the Province of Ontario.

Mr. Shulman: Well, then, Mr. Chairman, may I ask the minister a question? Is he aware of how many people he has put out of work, or his government has put out of work, people who are working for Canadian companies, as a result of the moneys which he has given to Levi Strauss and to H. D. Lee? I know of some $600,000 given; I also know of some 200 jobs that have been lost. I know of one company that is closing down, another two that are on the verge of closing down, and when I asked the minister earlier about Levi Strauss, he said it was all federal money. Sure, place the blame in Ottawa.

Do you realize what you're doing? Do you also realize that you are a joke at Levi Strauss headquarters? Do you know that they took part of that money and sent it to Hong Kong to set up a factory there? And that at the same time, by some coincidence, they set up a factory in Mexico? And that in Mexico they're making these very pants—what do you call them?—Levis, at a price of—I've got the price here, right out of their records, just a minutes. They cost $4.25 down in Mexico City. They're brought up here, the Levi Strauss label is put on them, and they're sold here along with the ones manufactured right here in Ontario, and sold for $16.95.

The very thing you said you're trying to clear up, you've actually succeeded in giving them—a legitimate way of passing out imports as Canadian made. At the same time, Hamilton Carhartt—I may be pronouncing it wrong; Hamilton Carhartt, are closing down on Dec. 31; a Canadian company that made exactly the same thing. Ben Otis is being forced to lay men off at this very moment because of your grants and you get up here and say you don't know anything about it because it's a different name.

Hon. Mr. Bennett: Mr. Chairman, I will answer the question in full and I will draw to the member's attention that Levi Strauss has never received a dollar from the ODC.

Mr. Shulman: Oh, that just isn't true.

Hon. Mr. Bennett: They have received no funds from ODC, but were awarded a grant—

Mr. Shulman: Okay.

Hon. Mr. Bennett: —from DREE of $867,000 for a plant in Cornwall in September of 1972.

Mr. Shulman: What about the one in Brantford?

Hon. Mr. Bennett: Great Western Garment Co.—

Mr. Shulman: Right.

Hon. Mr. Bennett: —Eastern Ltd. received a performance loan of $100,000 from the government of Ontario in 1972 to expand its plant in Brantford.

Mr. Shulman: Did you forget about that one?

Hon. Mr. Bennett: The government was a major factor in the decision to expand the Brantford plant rather than going to Winnipeg or Edmonton, and I am sure the member realizes that's where the textile industry really and the garment industry have a real base.

Mr. S. Lewis (Scarborough West): Where?

Hon. Mr. Bennett: Winnipeg and Montreal both.

Mr. Lewis: You said Winnipeg and Edmonton.

Hon. Mr. Bennett: I didn't say Edmonton, I said that there were—

Mr. Lewis: I had heard it was Edmonton.

Hon. Mr. Bennett: If the leader of the NDP had ever been in Edmonton he would see that Great Western Garment does have a rather substantial holding in that community.

Mr. Lewis: The base of the textile industry is not in Edmonton. It is in Winnipeg as a matter of fact.

Hon. Mr. Bennett: I wouldn't agree with you there.

Mr. Ferrier: It is in Montreal.

Hon. Mr. Bennett: Both Winnipeg and Montreal.

Mr. Shulman: In exactly the same manner is the minister suggesting that because of his $100,000 grant they didn't proceed to expand in Winnipeg and Edmonton?

Hon. Mr. Bennett: I am saying, Mr. Chairman, very clearly that it was an inducement to get them to expand right here in the Province of Ontario and provide employment for people in the city of Brantford.

Mr. Shulman: And what about the $500,000 that you gave to H. D. Lee to do the same thing in the same field? Does it have the same explanation?

Hon. Mr. Bennett: Yes, and I can say to the member I was in the H. D. Lee plant in Napanee where we have an investment and also in the plant that will be going into North Bay. It very clearly indicates to the members that neither one of H. D. Lee's plants would be able to produce sufficient volume of goods to meet the demands that are made upon them.

Mr. Shulman: If there are so many demands being made upon them, can the minister explain why the Canadian companies that are producing exactly the same thing are being forced to shut down this month?

Hon. Mr. Bennett: That would be far beyond my ability to understand, sir, other than they have not been as aggressive. They have not been as aggressive to go down—

Mr. Shulman: Nor have they received any grants.

Hon. Mr. Bennett: You know, the fact is that most of them receive loans from the government and if they wish to make an application to secure financing through the government to expand their operations in areas where we think it is advantageous to the economic development of Ontario, we would be pleased to review them and see what the possibilities are.

This is why we went into North Bay. There is a labour force there than can be used in this particular plan, so it was to our advantage, as far as we are concerned, to have that type of plant located in North Bay.

Mr. Shulman: Is the minister aware of how many jobs have been produced with your $500,000 for H. D. Lee in Napanee?

Hon. Mr. Bennett: Yes. In Napanee we have a total of approximately 160 jobs and they will also be going on stream this year with an additional 30 machine operators, which will increase the staff by 90 more people.

Mr. Shulman: Is the minister aware that in putting those 250 people to work at H. D. Lee, he simultaneously put 400 people out of work at the other companies—the Canadian companies?

Hon. Mr. Bennett: Mr. Chairman, my understanding of the situation of a company

here in Toronto that is anticipating closing down, for reasons best known to itself, is that it will not be in the range of 400 people involved, nor even half of that.

Mr. Shulman: Obviously, the minister isn't aware there is more than one company involved. Are you talking about Ben Otis or about Sinclair's company or about Hamilton Carhartt? Which one are you talking about?

Hon. Mr. Bennett: I beg your pardon?

Mr. Shulman: Which company are you referring to?

Hon. Mr. Bennett: I am referring to Hamilton Carhartt.

Mr. Shulman: Haven't you ever heard of Ben Otis?

Hon. Mr. Bennett: It hasn't come to our ministry's attention.

Mr. Shulman: Oh, my goodness. Well, Mr. Otis himself has been writing letters to your ministry. Have you not received any of them?

Mr. Givens: He hasn't given them any Otis.

Hon. Mr. Bennett: The only thing I can add to that, Mr. Chairman, is it has not come to my—

Mr. Shulman: Otis Star Ltd.

Hon. Mr. Bennett: I beg your pardon?

Mr. Shulman: Otis Star Ltd.

Hon. Mr. Bennett: It has not come to my attention, sir.

Mr. Shulman: May I suggest to the minister that these things should come to his attention and that before he starts giving our money to American corporations to come in here to put our people out of business and ruin our Canadian corporations, he should give a little more attention to what he is doing, because this is a damned scandal. You don't know a thing about it.

An hon. member: Shame, shame.

Hon. Mr. Bennett: Let me assure the House, Mr. Chairman, that my ministry people, before they start making decisions on loan applications, make themselves aware of the situation in the province, make themselves aware of what is being imported into this country, and what can be replaced by Canadian or Ontario manufacturing if government affords them some assistance. I take no responsibility for Ontario companies that do not want to get up off the seat of their pants and try to move forward into expanding their operations.

Mr. Lewis: Boy, that is some argument.

Hon. Mr. Bennett: We do recognize very aggressive companies, not all of them are by any stretch of the imagination foreign companies. But I can tell you what the Lee company has been able to do in Napanee has certainly helped the economic position of that community and I can assure the members that the Lee plant that will go into North Bay with a federal government grant will stimulate real employment in that community as well.

Mr. Shulman: Can the minister tell me by what coincidence it is that these grants all happen to go to American corporations and that none of the Canadian companies in that particular field has received any?

Mr. Turner: They never applied for them.

Mr. Lewis: They are not aggressive enough. Canadian companies lack aggression.

Hon. Mr. Bennett: While the leader of the NDP may find it easy to make a very casual statement, I referred to some companies, and not in a general context at all—

Mr. Lewis: Well, I think your statement is preposterous that Canadian companies aren't aggressive—

Hon. Mr. Bennett: I don't intend to get involved in that debate. I made a very general statement related to one or two companies.

Mr. Lewis: It's a nonsense statement to say that Canadian companies aren't aggressive.

Hon. Mr. Bennett: May I reply to the member for High Park that I have been advised that Mr. Otis has been in touch with us—

Mr. Shulman: Why didn't you know about it? Why don't you get your message?

Hon. Mr. Bennett: That's right.

Mr. Shulman: He pleaded with you to save the industry.

Hon. Mr. Bennett: Well, if he pleaded with me, his plea mustn't have been very loud, very long or very serious.

Mr. Shulman: He never got through to you.

Hon. Mr. Bennett: But, as I said, it's obvious that the ministry people have arranged to visit Mr. Otis to discuss his problem.

Mr. Shulman: Well, that is a great help after the event. The company is going to the wall and you are arranging a visit—now that you have given money to people to put him out of business.

Why in the world—the simplest question of all—why in the world did you let Levi Strauss make such fools of you? Why did you let them continue to import all this material from Mexico and Hong Kong to sell it here? Why didn't you at least make the simple requirement, if you are going to give them all that money, that they sell in Canada only Canadian-made goods? Answer me that simple question.

Hon. Mr. Bennett: I think if the member would review his remarks, he will come to the understanding that the importing of goods is not controlled by this government.

Mr. Shulman: But the giving of money surely is.

Hon. Mr. Bennett: You know, I am amazed. The member sits there talking about imports, and what we were trying to divert was the importing of goods to this country for sale to our Ontario customers.

Mr. Lewis: But you failed.

Mr. Shulman: They produce more now than before.

Hon. Mr. Bennett: They are not even producing enough to meet market demands. If that's the case, I say to the member, then maybe one or two other people should be out trying to hustle the market to see that their products find a market acceptance.

Mr. Lewis: "Hustle the market." Boy, are you the entrepreneur!

Hon. Mr. Bennett: Yes, I am—and I am proud of the fact.

Mr. Chairman: Order, order.

Hon. Mr. Bennett: Mr. Chairman, Mr. Otis has not made an application for any assistance from the government.

Mr. Shulman: Mr. Chairman, I will try again. Is the minister aware that, as a result of his policies, the percentage of this type of garment, Levi's, coming into the country now is higher and that the percentage being sold in Ontario that is foreign-made is higher than before he gave this money to these American corporations?

Mr. Yakabuski: Everybody wears them. That's why.

Mr. Shulman: The reasons are, first of all, that the Canadian corporations have been forced out of the business and, secondly, that your American corporations have used your money to bring in more imports, both from Mexico and from Hong Kong. Whatever your intentions, the results of your policy have been to produce exactly the opposite of what you wanted to do. We have a higher percentage of imports now and we have lost these Canadian corporations.

Mr. Turner: If that's true, why didn't your friend compete?

Hon. Mr. Bennett: Mr. Chairman—

Mr. Shulman: Just give me one more moment. There's an interjection from the member for Peterborough. He asked why my friend—I have never met the man—

Mr. Turner: Well, whoever—

Mr. Shulman: He has asked, "Why did Otis and the other Canadians not compete?" I will tell you why he doesn't compete: He can't compete. He has to pay Canadian wages, and Levi Strauss pays Mexican wages and Hong Kong wages. Levi Strauss in Brantford pays Canadian wages to a small percentage of their people. Then they bring in the Mexican stuff and the Hong Kong stuff that looks exactly the same, but it costs a quarter as much.

Of course the Canadians can't compete. How can they compete? We have minimum wages here. There's no such minimum wage in Hong Kong. You have driven them out of business. That's why they can't compete.

Mr. Turner: There is no difference in the price on the marketplace, though.

Mr. Shulman: Of course there isn't.

Well, let me try again, Mr. Chairman. Levi Strauss has set up factories in Mexico City and in Hong Kong. There they are able to produce Levi's at a net cost to them, after paying duty when they are imported here, of $4.25. Those very same things sell in the stores for about $16.95. That's why the Canadian manufacturers can't compete. That's why they are going out of business. You played a part in it. What's worse, you didn't know anything about it.

Hon. Mr. Bennett: Mr. Chairman, I go back to the point about the entry of goods from foreign countries. It's a subject that is being debated hotly right now between my ministry and Mr. Gillespie in Ottawa and the textile and garment industries because they are all of the opinion that we are reducing our position by the reduction of tariffs.

These companies that are producing jeans and other types of garments here in Ontario are paying Ontario wages to these operators. But their importations—

Mr. Shulman: But only with the—

Hon. Mr. Bennett: Let me finish. Obviously, if these manufacturers were not located in the Province of Ontario or in Canada, there would even be a greater volume of goods coming in from foreign lands—a greater volume.

Mr. Lewis: No, that doesn't follow.

Hon. Mr. Bennett: Well, maybe two and two doesn't make four to the NDP, but it surely does to me.

Mr. Lewis: No, it doesn't. The money that you gave them is driving these companies out of business.

Hon. Mr. Bennett: So obviously, Mr. Chairman, we have built these Canadian plants, these operations through DREE funds—and in one case through a $100,000 performance loan from the ODC—

Mr. Shulman: And in another case it was a $500,000 loan.

Hon. Mr. Bennett: That was not from us, sir, if you check your figures.

Mr. Shulman: H. D. Lee was funded out of provincial money. Of course it was your money.

Hon. Mr. Bennett: Well, I have some 1,500 applications and it's a little difficult. It's like being a bank manager and trying to know every deposit you have on your account.

Mr. Shulman: Then just ask.

Mr. Chairman: Order please. The minister has the floor.

Mr. Shulman: They have the information—

Mrs. Campbell: That's the difference.

Mr. Shulman: —but he doesn't.

Mr. M. C. Germa (Sudbury): I believe you are in a quandary.

Hon. Mr. Bennett: Mr. Chairman, I say to you that in our opinion the investment in these plants, both federally and provincially, has been to the economic advantage of the province and that we have kept down whatever—

Mr. Bullbrook: That doesn't answer the question.

Mr. Lewis: What are you doing?

Mr. Bullbrook: What breed is that? Don't give us platitudes, please.

Mr. Lewis: Can I ask the minister something on this matter?

Mr. Chairman: The hon. member for Scarborough West.

Mr. Lewis: One of the things which interested me is the way you continually denied the Levi Strauss relationship, trying to make a virtue out of the fact that no money has gone to Levi Strauss, despite the fact that the company is a wholly-owned subsidiary of Levi Strauss. That kind of distinction is a debating point, it's not a truth. The money, in itself, went to Levi Strauss; whether it goes to a wholly-owned subsidiary or not is irrelevant.

What about what the member for High Park says? I would have thought it would spawn in you some concern. If it is true that a portion of the performance loan you gave in good faith to a Brantford firm went to facilitate the expansion of facilities in Hong Kong and Mexico, the consequence of which is to encourage imports to Canada and then to Ontario, the consequence of that being the Canadian plants go out of business, then what is the point of giving the performance loans?

The trade-off makes no sense. It may secure some operators in Brantford. It obviously throws on to the unemployment lines some people who were working—a great number of people who were working in other parts of Ontario.

Now it may be that you can't show it—although I would like to see an investigation of it. I think that your ministry should look into it, because when you are dealing with Levi Strauss you are dealing with a very sophisticated multinational corporation. It is entirely possible that the money that goes to Brantford as a performance loan facilitates or covers their expansions elsewhere to im-

port into Canada. And that is something worth looking at, not worth being so defensive about it, so belligerent about it.

A member of the Legislature has raised something which is a very serious matter. It has harassed the textile industry for a long time. We haven't raised H. D. Lee for the first time in the House tonight. We have had discussions about H. D. Lee before. The $500,000 forgivable loan to H. D. Lee didn't occur last month. And the implication about the work force in Ontario has been something that has worried a great many of people for a considerable period of time.

So when you have accumulated evidence and the kind of information that is being given by the member for High Park, and the problem at the Hamilton firm and the Toronto firms, then surely the answer of the minister is "Okay, I won't accept the facts as you give them." You can be partisan to that extent about it. But say: "I want to check into it. I want to take a look at the consequences. I would like to have Mr. Etchen and others find out something about the Hong Kong and Mexican operation and see if I can trace the imports."

Let me tell you, you can. You can by getting in touch with Gillespie. And let's understand whether the performance loan we are giving this company may perversely, without your knowledge and without your intention, be driving Canadian companies out of business.

An hon. member: Right.

Mr. Lewis: That kind of thing is worth looking into. It's not something one dismisses as though, as a Tory, you have to shoot down everything that comes from the opposition side of the House with reflex action.

The point that is being raised is fundamental, the kind of point we've been raising about the forgivable loan programme generally, and in its own way the kind of point that was being raised by the member for Sarnia when he talked about the forgiveness of the tax. It's all part of the same pattern, this kind of pock-marked tendency to give performance loans, now remission of the tax —the old Stanley Randall programme—allegedly to expand job opportunity in Ontario. Peculiarly enough, we never know at the end of five years whether or not the number of jobs have been expanded and we're never able to tell along the way whether we've done real damage to Canadian companies in the process. It's all part of the same package and it's worth looking into.

One of the nice things about the textile industry is that it is an identifiable industry. There's been so much work done on textiles that you can, in fact, follow the process through and come up with some analysis. I think that the questions raised by the member for High Park really deserve some kind of consideration by the ministry. It would be worth taking a look at it. It would make some sense.

Mr. Shulman: As a postscript to this, if I may just give one line, the minister might find it interesting to read this month's issue of Men's Wear magazine because in it there's a beautiful picture of Fern Guindon at Levi Strauss' new plant, shaking hands and congratulating him and then thanking him for the great help from the Ontario government which this minister apparently wasn't aware of.

Hon. Mr. Bennett: Mr. Chairman, I say to the leader of the NDP, with regard to the suggestions he makes relating to $100,000 or whatever amount of performance loan happens to be involved, that we don't deny that we can look into the situation, but the facts that we have before us clearly indicate that at the time the performance loan was given it was for plant development and expansion here in Ontario. Where it relates, as you say, to the Hong Kong or the Mexican operation or somewhere else in the world, there are facts and figures that may be somewhat difficult to follow, and in consulting with Mr. Etchen we're prepared to look at the situation very clearly.

On the other hand may I only add one other remark, that in this very garment industry that we're speaking of—the casual wear industry—the requirements in the marketplace are greater than the production centres that we have in Ontario or Canada.

Mr. Chairman: Is there any further discussion on vote 2002?

Vote 2002 agreed to.

Mr. Bullbrook: Carried, subject to the understandings we have, right?

Mr. Chairman: Yes, that's correct.

Vote 2003, the trade development programme; item 1, programme administration.

On vote 2003:

Mr. Stokes: Yes, Mr. Chairman.

Mr. Chairman: The hon. member for Thunder Bay.

Mr. Lewis: I will just take a second here, on a point of order. The same thing happened last night with the Social Development secretariat, where there were a number of questions remaining to be answered, particularly those put by the member for Nipissing. When the time had come to an end at 10:30 and the vote didn't pass, the House leader (Mr. Winkler) said: "Discuss the recall of these estimates with your House leader." Maybe it wasn't the House leader who said it.

Mr. R. S. Smith: Yes, it was the House leader.

Mr. Lewis: It was the House leader. That's called the old squeeze play. It really says that you sit down and you discuss it with the member for Kitchener (Mr. Breithaupt), the House leader of the Liberal Party, to see where we will subtract time from another estimate to which time has been committed.

I feel that we may never get back to these estimates again. If we don't get the answers from the minister tonight at some point we may never get back to them, because somewhere along the way they'll be tacked on and on to the end and it will just run out of time in terms of the estimates in this House. It's the easiest thing to avoid it. I would have thought there should be some guarantee that by 10:20 or something the information is in the hands of the minister and he provides it to the members. We'll never get back to it.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Mr. Chairman, I'd like to comment on what the leader of the NDP has said. My reference was no more to the House leader of the Liberal Party than it was to his own House leader. We have accepted a proposal that was brought to us by those two House leaders—not by myself—and I've stuck to that very, very religiously.

Mr. Lewis: The minister is quite right.

Mr. R. S. Smith: On the point of order.

Mr. Lewis: On the point, of course the minister has stuck to it but none of us realized that ministers would not have fairly elementary material at hand. The questions asked by the member for Sarnia should not require the minister running back to his offices to get the dope. That kind of thing should be right at hand.

Mr. Stokes: They're all right here.

Mr. Lewis: Yes, all the dope is right here.

Mr. Chairman: Shall we continue with the estimates on vote 2003?

Mr. Sargent: I am sorry, Mr. Chairman, in view of the fact that we are not going to finish these votes tonight, I think we should have an undertaking from the House leader that these questions will be answered prior to the time limit tonight. If it is 11 o'clock, we should have them before that, with no limit on the debate. So what are we going to do?

Hon. Mr. Winkler: There is no limit to the debate.

Mr. Lewis: They'll cut it off Health. That is what they will do. He has got the answers now. Why doesn't he give them to us?

Mr. Chairman: Well, we still have six votes to go, and I doubt very much that we will complete them tonight or even tomorrow night.

Mr. Sargent: But we only have five hours and we are in the fourth hour now.

Mr. Chairman: Well, perhaps if we did less talking, we could get the results tomorrow.

Mr. Sargent: Now, don't be smart.

Mr. Chairman: I am not trying to be smart.

Mr. Bullbrook: I rise on a point of order. It really is an astounding consequence that the Chairman would say that if we did less talking, we would get more done. By gosh, if democracy operates that way, we are in real trouble.

Mr. Chairman: You liked that, did you?

Mr. Bullbrook: Well, I expected it; let me tell you I expected it.

Mr. Chairman: Well, coming from—I won't say anything. The hon. member for—

Mr. Lewis: You had better not say anything. You are sitting in the chair, you know.

Mr. Chairman: Yes, sir.

Mr. Lewis: You may be—

Mr. Chairman: The hon. member for Thunder Bay. Order, please.

Mr. Lewis: You may be the guru of grunts when you are up in that corner, but when you are in the chair you hold your tongue.

Mr. Chairman: Order. The hon. member for Thunder Bay.

Mr. Bullbrook: On what vote, please?

Mr. Chairman: On vote 2003, trade development programme.

Mr. Bullbrook: All right. On a point of order, Mr. Chairman, I want to have an understanding because I am very much interested in this. I am interested in the response of the minister. My understanding of what the Chairman said was this: that the minister didn't have the information available for me—

Mr. Chairman: Right.

Mr. Bullbrook: —that he would give me that information before the debate was finished, as far as time sequence was concerned; that we would then have the liberty of debating that information without stricture.

Mr. Chairman: Exactly.

Mr. Bullbrook: That is my understanding —I hope.

Mr. Chairman: I think that is correct.

Mr. Sargent: Well, on another point of order, Mr. Chairman, where do we stand at this point?

Mr. Bullbrook: We have that.

Mr. Chairman: You have that commitment.

Mr. Sargent: At what time are we going to close off?

Mr. Bullbrook: When we finish debating it.

Mr. Stokes: On vote 2003, I would like to ask the minister to what extent he feels that his trade missions are successful. I am referring to the delegations—and I get news of one a day, sometimes two a day—of people going hither and yon to all parts of the globe, trying to interest foreign companies in purchasing our exports and to increase our technical knowledge of world markets.

It seems to me that we are spending quite a large sum of money to send people on these so-called trade missions. What are the tangible results, if any, since this policy has been in effect for a number of years now? What is our trade position in 1973, say, compared with three or four years ago? Can you see that we are getting some tangible benefit from these dollars that we are spending?

The second question I want to ask is, how do you determine the makeup of the mission? What companies are likely to be invited to go along? And why has there been only a very limited number of entrepreneurs on these missions from northern Ontario, as opposed to southern Ontario? The numbers from northern Ontario are practically negligible and while our potential in northern Ontario is somewhat limited, we do have some key industries. We have, for instance, the shipbuilding yards in Thunder Bay. We have Hawker Siddeley, which makes heavy equipment for forest harvesting. We have buses; we have the ability to make transportation vehicles of a number of types and varieties. Surely you could assist those few industries in northern Ontario to expand their business chances outside of our borders. Can you elaborate on the success of the programme in relation to previous years?

Hon. Mr. Bennett: Mr. Chairman, trade missions were implemented some number of years ago and they produced some very valuable results for those industries that participated. I'm going to preface my remarks by saying that I'm never that impressed, Mr. Member, when people come back and tell me that they got an order for $1 million for the goods on a particular trip when they were there. Quite often if you talk to businessmen who are in long-range planning and development they'll tell you that it takes a period of time to develop good agents and good representatives in foreign lands. If they happen to return with an order today for X dollars it's more by good luck than it is by good management, because it's over a period of time that they really develop strong ties with a foreign country.

We have indicated to you that in the current year, from a trade mission that went out in January, for example, which was known as Trade Mission 242, the estimated first-year sales will be in the range of $1,365,000. Then we had others that went to: Central America, producing orders in the range of $300,000; Los Angeles, USA, for $1.5 million; Australia and New Zealand, $1,655,000; South America, $370,000; Frankfurt, $1 million; Nigeria and Ghana, producing $1.4 million—close to $2 million in their interpretation; another in Southeast Asia for $1,250,000. It indicates very clearly that there has been a substantial sales potential in the range of about $12 million in the first year of sales as a result of our trade missions. I might say that this accounts for 33 missions into 63 countries with 234 members or parties participating.

I might say, Mr. Member, if I can just go back for half a minute, that the statistical information on the trade missions in 1974

since June 9 has not been tabulated and, of course, there are missions away at this very moment, so that figure takes us up to approximately two-thirds of the year with better than $12 million.

Last year, for example, there were 29 missions in 44 countries with 219 members, producing first-year sales of approximately $16 million.

It might be interesting to look at the fact that of the 263 missions that we have made so far as a government, with 2,371 participants, the sales volume to date, according to the statistical information that we continue to gather from them, is $340 million.

It would be further indicated from this programme that while they indicate their initial sales to us, we have a three-year programme that we follow up with them on an annual basis to see how they're developing, whether new markets are opening, and what suggestions or advice they would have for us that could better enable us to produce some results not only for them but for other companies in the Province of Ontario.

You asked how we come to the determination whether A, B or C company should go or what products we should take to that market. We have people both in the federal government and within our own ministry who will do a product survey to see what are the essential commodities, expertise, large industrial equipment or whatever it happens to be that is needed in that marketplace.

As an example, a few months ago, when I had the opportunity of going to Brazil and to two or three of the countries in that part of the world, I became very much aware of the fact that they weren't really looking for what we think of as being consumer products but were looking for items with a very high technology and sophistication for the lumbering industry, the mining industry and the electrical producing industry, where we do have a fair amount of expertise and some very selective equipment made in this province. As a result, the next mission we take into that part of the world will be zeroing in on that market opportunity for our manufacturers.

We do know the products.

Once a year we ask manufacturers in this province would they be interested in going to a foreign land to look for an export operation and, if they are, in what countries do they believe there might be some product acceptance. Some of them secure this information through trade associations they belong to and know that there could be a potential in some part of the world. If they say they would like to go but they have no idea where the market is, then we get a complete description of their product and we try to relate it to the market position in whatever country we are going to. If there is a degree of what we believe is acceptance for the product, an invitation will be extended to that particular manufacturer.

They all submit cards or their application once a year. They update them to tell us whether they have got new product lines that could be of some value in the export market. Specifically related to transportation vehicles, we look at the components, rather than the completed units, because obviously in most countries today they have the protectionist clause whereby vehicles are stamped out or through some special agreements brought in from one of their allied countries. The component factor is where we can really make some inroads. I think of Venezula where there is greater potential for us today than there has been in the past because of some auto pact agreement they are putting together and of the way they are unifying their automobile industry.

That is the way we go about the missions. We think they are profitable. Unfortunately, in the current year we have had to reduce our missions from the 42 originally projected down to 38 because of the rapid increase in air fares. As you know, we supply the participants with economy return air fare to the particular country that they are going to. All other expenses are at their own company's expense. As a result of the increased costs of air fares and so on, we had to cut back our missions by four in the current year.

Mr. Chairman: Is there any further discussion on vote 2003?

Mr. Sargent: Mr. Chairman.

Mr. Chairman: The hon. member for Grey-Bruce.

Mr. Sargent: Again for the record, this estimate is $1.4 million wrong in its tabulation. I say that for the record again. It is a consistency of sloppiness and doctoring of the books, and I say that for the record. These figures of $340 million in the terms of the 263 missions you are talking about, usually remind me of Amos and Andy, $50 million, $60 million. Who is to know whether there is any truth in these figures or not?

I recall when Stan Randall was the minister in charge of this department. At one time, we questioned the facts as they were and at that time they didn't add up. We have

to take your word for it. I suggest to you that a lot of these figures you are giving us are just guesstimations. In the main, you have the ordinary taxpayer of Ontario paying the freight for these junkets abroad, and from where I stand I think we have had too much of it.

Mr. Chairman: Any further discussion on vote 2003?

Vote 2003 agreed to.

On vote 2004.

Mr. Chairman: The member for Cochrane South.

Mr. Ferrier: I won't be long. I'd like to take a long time but I know I haven't got the time. The Northern Resources Exhibition Centre had a study carried out for it by Raymond Moriyama, architects and planners of Toronto. They came to this conclusion about the project:

> This project has been a learning experience for our team. During the course of our work we gradually came to realize that what we were talking about was a new kind of institution for Ontario, perhaps for Canada, one that could help to revitalize an entire region. Others may wish to copy this model, but they will never be able to duplicate it. With these buildings, northeastern Ontario has something unique in the world.

They are talking about the Hollinger Mines property in Timmins and some of the buildings there. One of the things is that the city council has disposed of a couple of the buildings, which was an awfully short-sighted move on their behalf. I hope maybe we will be able to get them back.

Could the minister say how seriously he takes this proposal by Moriyama? I think it has got tremendous potential to help that whole region, as he says, in providing a tourist attraction and providing a service for the community with the economic spin-off and all the rest of it. How serious are you about going ahead with this? Will you get behind this idea of the chamber of commerce which has, I think, really done a splendid job in giving leadership here and getting the involvement of your ministry and other ministries. Are you prepared to seriously look at this and put some money into it and help our region develop in a broader way than has been possible heretofore?

Hon. Mr. Bennett: Mr. Chairman, to the member, I have indicated to the mayor of Timmins, and to his chamber of commerce, and to other interested people who have been working on this particular project for a year or better, that we were very serious in trying to give them a hand in bringing it to reality. As you know, the report from which you are reading is a draft report. The final one will not be in our possession for approximately two weeks. I have indicated again to the mayor of Timmins that we are anxiously awaiting the report, because we think there is a great possibility that they could add a new stimulus to that part of the province.

I might say to you that we do not look at it going 100 per cent provincial. We would like to think that our friends in Ottawa, who are interested in developing new tourist attractions and creating the need for people to stay in a community for a lengthy period of time, will become participants in the programme. Nor would I want you to go away with the idea that the municipality should not have some responsibility in putting up some of the financing required for it.

The report indicates, I think, if you read through it, that we could be looking at something in the range of $9 million by the time it comes to completion. I offer it to the member that my interests are to see that Timmins develops a very important part of the tourist link across this province and that we have something in that part of the province that will draw people and create a flow of traffic in the grid system of special attractions that we have been talking about for some period.

Mr. Sargent: Mr. Minister, last year in this department you were spending about $2 million in advertising, and at that time you weren't even loaning out $2 million to the tourist industry. How many millions are you planning to lend this year?

Hon. Mr. Bennett: I take it that you are referring specifically to the tourist industry?

Mr. Sargent: Yes.

Hon. Mr. Bennett: Mr. Chairman, in the last 11 months or thereabouts we have loaned, under the tourist loan programme, $22 million, which is up from a little more than $2 million a year ago at this time.

Mr. Sargent: So you are $20 million ahead of last year in the loans?

Hon. Mr. Bennett: That is correct, Mr. Chairman.

Mr. Sargent: How much are you spending on advertising?

Hon. Mr. Bennett: Our advertising requirements for the current year in the field of publications will be $676,000. Advertising promotion for the domestic market, and I specifically refer to that one—

Mr. Sargent: What's that? I missed the first figure?

Hon. Mr. Bennett: That's $676,000.

Mr. Sargent: You say $676,000?

Hon. Mr. Bennett: That's correct.

Mr. Sargent: Half a million dollars.

Hon. Mr. Bennett: Well, about $176,000 better than half a million.

Advertising and promotion for the domestic market—somebody mentioned this afternoon that we should be zeroing in on it, and we have been in the last two years—will be $695,000. For the US market, where the greatest potential is for dollars in the economy, $1,740,000. The overseas market, which we are trying to penetrate with great effectiveness, particularly with the travel trade associations, and in their publications, in England, France, Germany and Japan, we shall be spending $135,000. That is in addition to co-operative advertising that we have with the State of New York, the Province of Quebec, the Province of Ontario and the federal government, and a second co-operative programme between Air Canada and the government of Ontario will account for about $820,000.

Mr. Sargent: What is the total?

Hon. Mr. Bennett: The total is $4,260,000.

Mr. R. S. Smith: That doesn't include the amount to regional councils either?

Hon. Mr. Bennett: No, it does not.

Mr. Sargent: Could we talk under this vote, Mr. Minister, about loans to Best Western Hotels, or under ODC?

Hon. Mr. Bennett: Well, ODC is where they're made, Mr. Member.

Mr. Stokes: I would like to ask the minister, in view of his response to my colleague, the member for Cochrane South, and in view of the down-playing of one major tourist attraction in favour of possibly several smaller ones to sort of spread out the effects of governmental expenditures, is this a policy change by this ministry to spread out the effects of the dollars that you're spending, rather than concentrate them in one specific location? Or are there a very few restricted ones rather than, as I said before, trying to assist more areas of the province with the kinds of dollars that you have to spend?

Mr. R. S. Smith: Is this in lieu of Maple Mountain?

Hon. Mr. Bennett: Mr. Chairman, I shall not get into a discussion on Maple Mountain because it's now tied up in more legal complications than one can imagine. But in answering the member for Thunder Bay's question, if the travel industry is to be successful, it is not going to only be with large capital investment projects of the nature we're talking about for Timmins or Ontario Place, Old Fort William, and so on. It's going to be successful with those, but it's going to have to be complemented with other attractions in various communities across the province.

Mr. Stokes: That makes a lot of sense.

Hon. Mr. Bennett: We're looking at Cobalt, we're looking at Moosonee, and we are looking at projects in several other communities. They would never have the heavy capital investment that we're talking about for Timmins, but they would certainly have an appeal; something that would create the need for a person going into that particular community. And it gives us an opportunity between the travel association and the government, through the Ministry of Industry and Tourism, to use it as another item in promoting tourism and travel in the province. It blends in, Mr. Member, to the grid system of tourist attractions across Ontario.

Mr. Chairman: The hon. member for Nipissing.

Mr. R. S. Smith: In other words, I'm to understand then that the minister has accepted the fact that in the northeastern part of the province that there should be the development of a number of tourist attractions, instead of one major attraction, because of its being tied up in the legal complications that he refers to. And that I am well aware of, too, because they have tied up much of my area. But the fact is, then, that we're going to have a diffusion of those funds into northeastern Ontario that may well have been spent in one specific area. You've mentioned Timmins. Where else did you mention?

Mr. Stokes: Cobalt, Moosonee.

Mr. R. S. Smith: Cobalt, Moosonee. I presume the southern part, the North Bay and Sudbury areas, would also be included, with

some type of programme in the Algonquin-North Bay tourist region.

Hon. Mr. Bennett: May I clear up a point that has been brought forward by the member? I was not referring to the exclusion of any programme. We realize that it's going to have to be a balanced programme. There are going to be some heavy capital investments in some tourist attractions, and there will be others of a more minor nature. But I am not wishing to exclude any project at this point.

Mr. Chairman: The hon. member for Grey-Bruce.

Mr. Sargent: Mr. Minister, are you aware of the food service in franchised service stations along Highway 401 that have eating establishments connected with them, and the garbage they're putting out in those places now? Do you know what's going on there? Have you tested that food? Are they inspected?

I had occasion this last month to go to Cornwall. I drove down and back with some of my colleagues. We couldn't eat the food. We were hungry, but we couldn't even eat the food. I think it's time that someone did something about it. And that should come under your ministry.

Hon. Mr. Bennett: I beg your pardon?

Mr. Sargent: Further, am I to understand that you're going to proceed with Maple Mountain in the north?

Hon. Mr. Bennett: Mr. Chairman, I indicated to the House very clearly some months ago under what conditions we would proceed to do our further studies on Maple Mountain. It very clearly was put to the House that once all of the clouds or whatever—

Mr. R. S. Smith: Cautions.

Hon. Mr. Bennett: —cautions are cleared on the land and the title of the land rests in the name of the Crown, if that happens to be where it will rest, at that time we would proceed with the further studies that would be necessary to determine what the value of Maple Mountain would be as a development project for the province.

I am not going to make any further commitment than that tonight, nor until there is a clearance of title.

Mr. Sargent: Well, I am certainly glad to hear that, but where does an idea like this start? I mean, what is wrong with your thinking? You must have rocks in your head, to spend $70 million on a deal like that. From where we stand, I think that the public of Ontario thinks you are crazy. So bear that in mind.

Mr. Chairman: Shall vote 2004 carry?

Mr. Stokes: No.

Mr. R. S. Smith: When is the minister going to give a reply to the member for Sarnia so we can get along with the business of the House?

Hon. Mr. Bennett: May I answer one question before we leave the subject of Highway 401? I would tell the member for Grey-Bruce that I have taken up with the Ministry of Transportation and Communications, which is the contracting agency of the government with those restaurants and service stations, some of the complaints that we experience not only in letter form coming in but that I as a minister experience when travelling to the city of Ottawa via 401. I do not always find the restaurants are the best quality—that is, neither the food the best quality nor the price—

Mr. Sargent: Why don't you close them down?

Hon. Mr. Bennett: We bring in inspectors. I might say that in most cases I sincerely believe that when the companies are made aware of it they try to improve. They slide back; I have no doubts about it. I have suggested to the minister that we keep a closer review of the situation, both as to the service, quality of food, the price of the goods—I'm referring to petroleum as well—and also the cleanliness.

There are a few occasions when I have been a little upset about the cleanliness of the situations that exist along 401. That is the main highway where most of the tourists get their first impressions of this province and the people who are living in it.

Mr. Sargent: Mr. Minister, I have an establishment up north and your inspectors keep us right on line and we would lose our licence if we didn't run a good place. I think it's time that you started getting tough. You say you are going to look at it and you are going to do these things, but they still go on. Ten days ago it was pretty bad.

Mr. Chairman: May I draw to the members' attention that it is 10.30 of the clock? Shall this vote carry?

Mr. Bullbrook: No, oh no.

Mr. R. S. Smith: When the minister brings forward the answers to the questions—

Hon. Mr. Winkler: Mr. Chairman, I would like to ask if there is some request that we sit beyond 10:30.

Mr. R. S. Smith: No, there is no request at all.

Hon. Mr. Winkler: Then I will move that the committee rise and report.

Mr. Bullbrook: No, there is no request, there is no request. There is an undertaking on behalf of the chairman. No request at all.

Mr. R. S. Smith: Mr. Chairman, there was an undertaking on the part of the chairman that the minister would provide answers to the member for Sarnia, and the member for Sarnia would be given the chance to debate those answers.

Mr. Bullbrook: Right.

Mr. R. S. Smith: That's the undertaking from a previous chairman who was sitting before you. Now, if we are not to go on the undertakings of the chairman in this House, we might as well just fold the whole place up and go home, and listen to the House leader and the chairman and have them go off in a corner and squander themselves.

Mr. Chairman: I would draw to the attention of the hon. member for Nipissing that to my knowledge the Chair has no prerogative to make such an undertaking—

Mr. Bullbrook: Yes, quite right.

Mr. Chairman: —and it is up to the House leader to decide whether we continue or rise and report.

Mr. Bullbrook: Yes, well, I rise on a point of order. You are quite right, of course, under the rules and this is what we were stagnated with.

Hansard will disclose, of course, that I spent at least a minute, perhaps two minutes, saying that there was no House leader for the government here and asking the minister if he could undertake on behalf of the government side, as our House leader could have undertaken on our behalf, that we were prepared to give unanimous consent for the elasticizing of the normal rules to convenience—and this is the point—to convenience the minister to get the necessary information to give a specific reply to myself and to give me ample opportunity to respond. This is why we let go of vote 2002.

Let me say this to you, sir, if I may. When the House leader rises in his place now, not having obviously delegated his responsibility to someone else—you raise your gavel to me, sir. I am on a point of order.

Mr. Chairman: I would like to point out that in view of the Chair there is no point of order because the motion to rise and report is not debatable.

Mr. Bullbrook: I say this to you most respectfully, sir—and I realize that you are a very temperate man—that we tried to get some understanding before. The then chairman said in effect:—

Mr. Sargent: Guaranteed.

Mr. Bullbrook: —"Since we cannot have a unanimous understanding, I will give you my undertaking that the responses will be made and you have unlimited time for debate." This is what happened and we resumed our places. The House leader now gets up and says: "Is there a request for the extension of the time?" There is no request at all. We made the request at 9:30 tonight. Right?

An hon. member: Right.

Hon. Mr. Winkler: Then the hon. member is saying that there was a request.

Mr. Bullbrook: No request now.

Hon. Mr. Winkler: Is that what he's saying?

Mr. Bullbrook: No.

Hon. Mr. Winkler: Mr. Chairman, I want that clear. Is that what he's saying, that there was a request?

Mr. Bullbrook: No.

Hon. Mr. Winkler: There was no request?

Hon. Mr. Winkler moves the committee rise and report.

Motion agreed to.

Mr. Sargent: No, Mr. Chairman—

Mr. Bullbrook: Let him go.

Mr. Sargent: —on a point of order. We have only five hours on these estimates. We haven't even touched the most important part of them.

Mr. Bullbrook: I am not going to tell you there was a request. You should have been

here as House leader to know, or delegated to somebody who should know. I don't have to tell you that at all.

Mr. R. S. Smith: We know the trust we can put in the Chair from now on.

Mr. Sargent: You know what's going on. Come on, sit down and get going here. Are the estimates over then? What's going to happen?

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report progress and asks for leave to sit again.

Mr. Speaker: The committee of supply reports a certain resolution and asks for leave to sit again. Is it the pleasure of the House that the report be received and adopted?

Mr. E. Sargent (Grey-Bruce): No.

Mr. J. E. Bullbrook (Sarnia): No, I want to speak in connection with this, sir, before you adopt the report.

Mr. Speaker, in connection with vote 2002 in connection with this ministry, I had inquired of the minister in connection with certain specific interrogatories. It was understandable that he could not necessarily respond to those in kind and quickly. I think Hansard will disclose this. I ask my colleagues to guide me if I'm unfair in my resurrection and interpretation of the situation. Mr. Speaker, he said to us, in effect, that he would get the information. Sir, eventually there came before us the question of the vote on 2002. At that time, myself and others rose and requested that there be some understanding as to whether we would have the response and the ability to respond to the answers.

The House leader for the government was not in his place, and I don't infer anything because of that. He can't be in his place all the time but the fact of the matter is that he wasn't in his place. I suggest to you, sir, as the arbiter of all our rights, that really we look to the House leader to guide us in connection with the understanding of the government. The minister couldn't because he was only carrying his estimate. I had the authority from our House leader, my colleague from Essex-Kent (Mr. Ruston), to undertake on our behalf that we would give unanimous consent. Basically, as Hansard will disclose, the Chairman said that there would be an undertaking to us that responses would be made to our questions, and that we would be given opportunities to reply and debate.

Sir, I ask you to consider the fact that after 10:30 o'clock was called, the House leader then asked if there was a request for an extension. I said there wasn't a request for an extension. He then asked if there was a previous request for an extension. There wasn't a previous request for an extension. There was an understanding on all sides.

An hon. member: That's right.

Mr. Bullbrook: There was an understanding by the minister and there was an understanding by myself that we would have a response and that we would quickly end the debate. It didn't require a request for an extension.

I want to say to you, sir, that what you do is basically of no great consequence to me. May I say that to you? I say it to you in this respect. It is purely another example of the fact that we must have some direction from the government in connection with the conduct of its business. When, really, the opposition tries to ameliorate the situation by saying we understand there can't be specific answers now and we'll wait till later, to be confronted with this type of tactic, I say doesn't serve us well.

Mr. Speaker: Just to reply briefly, the committee of supply or any other committee operates independently of the Speaker. I know what you are saying. I heard part of the exchange over the intercom but I would suggest that, as I understand it, there has been an arrangement among the House leaders to agree to certain procedures. I would suggest you would take it up with him and I don't see any reason why—

Mr. T. P. Reid (Rainy River): Oh, come now.

Mr. Speaker: Order, please. I would think that the House leaders could work it out among themselves. If there is more time required I'm sure—at least I would hope—that that could be worked out as well.

Mr. Reid: You are copping out. Mr. Speaker, may I speak to the point of order?

Interjections by hon. members.

Mr. Speaker: Order, please. The matter can't be debated any longer.

Mr. Reid: A new point of order, if I may, Mr. Speaker.

Mr. Speaker: What is your point of order?

Mr. Reid: Pardon me?

Mr. Speaker: I don't know what else I can say about the episode because it's out of my hands.

Mr. Reid: I have a new point of order that I think is always in order and that is, sir, that you as the Speaker of the House are the guardian of our rights and privileges, and when you say, sir, that the committees of supply or estimates operate independently of you in this House, I respectfully say to you, sir, that that is most incorrect. You are also the guardian of our rights and privileges in those respects, and I cannot accept that understanding.

Mr. Speaker: What I said is still true.

Report agreed to.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Mr. Speaker, I announced the business for the balance of the week last evening.

Hon. Mr. Winkler moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10:42 o'clock, p.m.

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Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Ninth Legislature

Wednesday, October 30, 1974

Afternoon Session

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

THE QUEEN'S PRINTER
PARLIAMENT BUILDINGS, TORONTO
1974

10

Price per session, $10.00. Address, Clerk of the House, Parliament Bldgs., Toronto

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LEGISLATIVE ASSEMBLY OF ONTARIO

WEDNESDAY, OCTOBER 30, 1974

The House met at 2 o'clock, p.m.

Prayers.

Mr. Speaker: Statements by the ministry.

FUTURE OF ARMSTRONG

Hon. A. Grossman (Provincial Secretary for Resources Development): Mr. Speaker, on Tuesday, Oct. 22, the hon. member for Thunder Bay (Mr. Stokes) asked me a couple of questions relating to the town of Armstrong. As a matter of fact, he asked what we had been doing, and there was the possible implication that we hadn't been giving the co-operation to the federal government that we might have.

At that time I suggested it might be more advisable, in view of the necessary length of the answer and therefore not to take advantage of a long statement in the question period, that I make a statement before the orders. Also, there were some developments which may have occurred between then and today.

A year ago, Mr. Speaker, on Oct. 10, 1973, the Minister of National Defence announced the closing of the radar base at Armstrong. I will first deal with the effects of the base's closure on Armstrong, then with what the province has done and then with what the federal government has done.

First as to the effects on Armstrong: It meant the loss of a $2 million payroll, the transfer of 160 military personnel and the loss of jobs to 45 local civilians employed by the Department of National Defence at the base unless they were willing to relocate to places in Manitoba, British Columbia and the Maritimes. It meant the economic base of the town had been effectively destroyed. Without the province's intervention it could have meant the loss of electric power to the school, several homes and some offices. But most of all, it meant the beginning of a search for employment for those who had been actively employed in the town and considered it their home.

On Oct. 27, 1973, shortly after Mr. Richardson's announcement, the Armstrong Development Corp., a local group of concerned citizens, presented their case to the Premier (Mr. Davis) at the New Awareness Conference in Thunder Bay. At the Premier's instruction, two committees were set up to examine what assistance could be provided to Armstrong. One committee was in Thunder Bay, one in Toronto, with representation from the ministries of Housing, Government Services, Environment, Transportation and Communications, Natural Resources, Treasury, Economics and Intergovernmental Affairs, Industry and Tourism, Community and Social Services, and from Ontario Hydro. These committees have maintained regular contact with the Armstrong Development Corp. to seek its advice and suggestions, and to exchange information on potential solutions.

Mr. Speaker, let me now deal with specifics in chronological order.

With the reports of proposals which had been developed in the period since November, 1973, I set out with staff to Armstrong on May 14 to meet with the board of directors of the Armstrong Development Corp. Unfortunately we became weatherbound in Thunder Bay and could not proceed. Instead we held an informal meeting with the Thunder Bay Interministerial Committee on Armstrong, at Thunder Bay.

Throughout these months various Ontario government officials visited the town to investigate details of the situation and to explore various courses of action. The Minister of Natural Resources (Mr. Bernier) also visited Armstrong in the first week of June.

Late in June we commissioned staff members of Confederation College through the Armstrong Development Corp. to undertake a survey for the purpose of obtaining an adequate community profile for us.

On July 3, Mr. Ed Dupuis, chairman of the Armstrong Development Corp., came to Toronto at my invitation and met with my deputy minister and other officials of the secretariat to discuss the plight of Armstrong. Later that day he also met with the Toronto-based Interministerial Committee on Armstrong to examine both the community profile and other details concerning Armstrong. I should say, Mr. Speaker, in case a question

might be asked about that, that unfortunately I could not meet him personally at that time as I was in the hospital.

As a result of these deliberations, a report was presented to the cabinet committee on resources development on July 17. The committee directed the Interministerial Committee on Armstrong to return to the policy field committee as soon as possible with explicit recommendations.

On Aug. 14, I met with Mr. Dupuis to review the situation. The next day, when the interministerial committee reported on details, Mr. Depuis met with the full policy field committee at my invitation. More information was exchanged and the interministerial committee was asked to investigate additional new developments and possibilities.

On Aug. 20 I, staff members, and, at my invitation, the hon. member for Thunder Bay, visited Armstrong and met with representatives of the Armstrong Development Corp., toured the town and inspected the base. At that time some proposals were discussed and we set about to investigate their merits.

During August I requested specific ministries to develop detailed responses outlining the advantages and disadvantages of explicit projects which might be possible for Armstrong. Then on Sept. 5, the resources policy field committee examined the viability and feasibility of the specific proposals presented by the various ministries. The committee instructed that while those specific proposals were further investigated the search be continued for additional proposals. This led to another report to the policy field committee on Sept. 19 from which recommendations to cabinet were developed. The full cabinet considered these recommendations at two meetings of the executive council.

Throughout all of this period, I would like to point out, Mr. Speaker, particularly for the benefit of the hon. member for Thunder Bay who questioned that, we were continuously in contact with Mr. Dupuis of the Armstrong Development Corp. How the hon. member for Thunder Bay can have been told, as he has advised us, that we have not been in contact with Mr. Dupuis constantly, I do not understand. My staff had called him on record at least 25 times in the May to August period alone. In addition, he called us many times; he also called and corresponded with various ministries. This does not include correspondence and telegrams sent to others and copied to him explicitly to keep him apprised of developments. All of this has been coordinated by the secretariat.

With respect to our alleged lack of initiative, the hon. member asked on Oct. 22 what new initiatives have been taken. The following, Mr. Speaker, have been investigated, researched and dealt with by various ministries, our secretariat, and our policy field committee: Proposals for a stud mill; proposals for a poplar log-using facility; a forestry school; a vocational school; a correctional institution; a training school; a camp for underprivileged children; a Boy Scout wilderness camp; a proposal to move the forest firefighting station from Nipigon back to Armstrong; a proposal to establish a base to renovate and maintain Tracker firefighting aircraft; use of the airport in the norOntair programme; making the town a major supply centre for areas north of Armstrong; a recommendation that the CBC's planned regional production centre be established in Armstrong; production of microchips at the existing base; location of a thermal generating station in the area; development of hydraulic sites on the Little Jackfish River; conversion of the base to a motel or hotel for tourists; and use of the airport in a geophysical study of the remote north.

We have also examined the possibility of a craft industry, and I would like to provide some more detail on this, sir. The suggestion to set up a craft industry seemed to have considerable merit. A representative from the Ministry of Industry and Tourism went to Armstrong to show craft products produced elsewhere in the province, to see crafts made locally and to find out what potential there might be for a craft operation. Some people in the area already produce handicrafts and apparently can sell all they produce. However, so far there has been no enthusiasm displayed by any other residents to develop handicraft skills.

In addition, we are also examining the possibility of an amethyst craft industry. Amethyst is indigenous to the Thunder Bay area and we feel it has potential for tourist souvenirs.

Mr. S. Lewis (Scarborough, West): Now the minister is talking. We are amethyst supporters over here.

Hon. Mr. Grossman: We are still continuing our search. Two weeks ago we received a new proposal being developed for a rustic furniture factory—that is, rustic furniture, not a rustic factory—using wood from the area. This operation requires the use of three buildings on the base. We asked the federal government to delay the sale of these buildings at least so they could be made available

if the proposal turns out to be a viable one. The proponent is refining his proposal and we will be examining it again next week.

The highest bidder for the base came in from Montreal at my invitation to meet me on Monday to discuss proposals which he claimed would create employment at the base. We are pursuing this proposal as well. He did ask our government to waive its request for a delay in the sale of the base, as he claimed that his plan required him to be in full ownership of the base. I advised him that the government could not agree to that, although the government would be pleased to work with him enthusiastically if he came up with a viable proposal to create employment.

In addition, we are now looking at some short-term measures which we hope will provide the community with opportunities until a long-term solution can be found.

Mr. Speaker, the only proposal which has some clearly defined potential at this time is one put forward by the Ministry of Natural Resources, and that is to set up a Crown management unit at Armstrong.

It should be borne in mind that the Crown management unit does still leave room for other feasible proposals to run concurrently in the area. This is why we felt it is imperative the the federal government must not dispose of the base until it is determined what use might be made of the base, or any part of it, in any of the proposals now under consideration.

Immediate measures which we plan to take are as follows:

1. The Minister of Natural Resources will establish a Crown management unit around the community of Armstrong, and suitable forest access roads for the management unit will be constructed by that ministry.

2. In order to strengthen tourism in the area, the Minister of Natural Resources will increase the number of cottage lots for lease in the Armstrong area, and establish more outpost camps.

3. Negotiations will continue with the Department of Regional Economic Expansion with regard to any assistance which can be made available to Armstrong, particularly having regard to recent comments by the local federal member regarding the availability of DREE funding.

4. The province will negotiate with the federal Department of Manpower and Immigration for a joint programme to facilitate the relocation of residents of Armstrong to other centres in northern Ontario where jobs are available.

We are prepared, sir, in co-operation with the federal government to locate jobs and housing outside Armstrong in the north for those who are presently unemployed; to provide replacement housing costs and moving expenses; to provide skill upgrading as required; and to provide social consultation for at least one year after relocation to ensure adequate adjustment.

5. Our Ministry of Health will provide ambulance service, which is very badly needed.

6. A heated garage will be provided for the fire engine being left in the community by the Department of National Defence.

7. Negotiations will be undertaken with DREE to secure federal funding of housing and sewer and water improvement in Armstrong.

8. The Ministry of Government Services will negotiate with the federal government as to:

(a) Assuring continuation of the operation of the portable power generation facility which was installed as an alternative to the present diesel generating plant on the base which has been shut down by the federal government; and

(b) Retention of the water pumping system at the base and its removal from the general sale of the base.

9. The road into Armstrong will continue to be upgraded on an ongoing basis under the Northern Ontario Resources Transportation programme.

Mr. Speaker, I've taken the trouble to go into this detail in order to satisfy members of this House, the people of Armstrong and the public generally that this government and its members have been working steadily over a period of months to keep Armstrong alive, and not only can we not be accused of failure to co-operate with Ottawa but, in fact, Ottawa has been particularly disorganized and uncoordinated in relation to our efforts to keep the base from being cannibalized until we at least have pursued every avenue of potential assistance to the people of Armstrong.

Mr. Lewis: Cannibalized?

Hon. Mr. Grossman: That is precisely what the bidder intends to do.

Mr. Lewis: Actually it is a good verb.

Hon. Mr. Grossman: That's exactly the term they employ. I also have, Mr. Speaker, all of the documentation, all of the letters and wires which have passed between the federal gov-

ernment and ourselves, and I would be prepared to read it in detail if the hon. members members want me to take the time of this House—

Mr. Lewis: I think the minister can table them.

Hon. Mr. Grossman: —otherwise I would be quite happy to table it.

Mr. Lewis: The minister has made his point.

Mr. A. J. Roy (Ottawa East): Methinks the minister protests too much.

Hon. Mr. Grossman: I will leave it to the hon. member for Thunder Bay. Perhaps he has the greatest interest, aside from ourselves.

Mr. Lewis: Read them.

Hon. Mr. Grossman: I would be very pleased to read them, Mr. Speaker.

Mr. Speaker: Perhaps they might be tabled, if that suits the members.

Some hon. members: Read them.

Hon. Mr. Grossman: I'd dearly love to read them, because if the situation weren't so serious the replies and the so-called co-operation I have received from the federal government would be laughable, completely laughable. This documentation will prove that some federal ministers never even reply to requests.

Mr. Roy: So what's new? You get that here.

Hon. Mr. Grossman: They have been asked for months to appoint a co-ordinator. We asked the Prime Minister of Canada to appoint a co-ordinator so we could deal with one minister.

The ministers are apparently afraid to talk to the Crown Assets Disposal Corp. Finally they appointed a co-ordinator, Mr. Andras, who appears to me to have a somewhat greater interest in the matter. But there still seems to be an overriding misunderstanding on the part of the federal government.

Mr. R. F. Ruston (Essex-Kent): Is this the minister's budget speech?

Hon. Mr. Grossman: I might as well tell the hon. members, Mr. Speaker, that the point they keep making time after time is that they offered the base for sale to the Province of Ontario—

Mr. Roy: The minister protests too much.

Mr. R. Haggerty (Welland South): Why doesn't the government buy it?

Hon. Mr. Grossman: —before they put it on the auction block and even after they had.

The point is, of course, that the Ontario government has no use for the radar base.

Mr. Roy: The minister could use a bit of radar himself.

Hon. Mr. Grossman: The point we were making time after time was, just hold off the final sale until we find out whether we are going to need the base, or even parts of it, for whatever plan might appear to be a viable one for the town. There were parts of it which might be needed. In fact, one of the proposals we have had, as I mentioned in my statement, was for the use of three buildings. Now, they have turned a deaf ear to that. They keep saying: "You could buy it. We'll give you the first chance." In fact, in one instance correspondence will prove, Mr. Speaker, that they called me long distance and gave us 48 hours to make up our minds whether we would meet the $100,000 bid that was offered to them by the salvage firm.

I would suggest to the hon. members who are concerned about Armstrong and what is happening that they go into the details and read this documentation.

I'll table this, Mr. Speaker. Thank you very much.

Mr. Roy: The minister is hiding something. He protests too much.

Mr. Speaker: Statements by the ministry. The hon. Minister of Energy.

CRASH OF AIRCRAFT

Hon. W. D. McKeough (Minister of Energy): Mr. Speaker, the members of the House will have heard of or read of the very tragic accident in the Arctic early this morning in which an Electra under charter to Panarctic crashed, killing 32 of the 34 occupants of the plane. These people were either employees of Panarctic or were employees of various drilling contracting firms which are doing work in the Arctic, and they were on the plane on the regular flight out of Edmonton into Rea Point.

At the appropriate time, sir, the government, on behalf of the House, will express our sympathies to the families of those involved and their associates. But it does seek to bring home to us that the search for energy

in the Arctic and elsewhere in the world—in mines in this province—is not without its perils and its risks.

On a more personal note, the Premier, myself, the deputy minister, certain other ministers of the government and officials and members of the press gallery were to have left on Sunday on a similar trip to Rea Point which has been reported in the press. That trip has now been cancelled or at any rate postponed, probably until the spring.

Mr. E. Sargent (Grey-Bruce): They get their hazard pay, don't they?

Mr. Speaker: Statements by the ministry.

The hon. Attorney General.

OHC BRIBE CHARGES

Hon. R. Welch (Provincial Secretary for Justice and Attorney General): Mr. Speaker, in response to a question directed to the Premier in my absence by the Leader of the Opposition (Mr. R. F. Nixon), I wish to make the following statement.

On Oct. 21, 1974, the Ontario Provincial Police laid a series of charges against 24 present and past employees of the Ontario Housing Corp. These charges were laid as a result of an investigation which commenced in December, 1973, following the disclosure of certain information at the public inquiry being conducted before Judge Waisberg relating to violence in the construction industry.

To date, 15 individuals have been arrested by the officers and released on their written promise to appear in court at Toronto on Nov. 21, 1974. The names of those who have been arrested have been made public, but the names of those nine individuals who have not, as yet, been arrested are still confidential.

The individuals face a number of charges relating to benefits that it is alleged they received while they were employed by the Ontario Housing Corp., and the charges have been laid pursuant to section 110(1)(c) of the Criminal Code.

The charges allege that these benefits were conferred by a number of companies engaged in various forms of construction or maintenance. Certain investigations are still being carried out in relation to these companies and it is the present intention of the Crown officials involved in this prosecution to proceed as quickly as possible with the charges against the employees, and then to deal with the companies involved.

It should be pointed out that under section 110 of the Criminal Code, there is an added element involved when considering the position of the donor of a gift or benefit to a government employee, and to that extent the investigation is somewhat more complex as it relates to the companies.

Mr. Roy: What is the added element?

Hon. Mr. Welch: Well, as a former Crown attorney, the hon. member would understand what section 110 says.

Mr. Roy: I understand the section, but what's the added element?

Hon. Mr. Welch: There's a question period following statements.

In addition to these charges, a number of individuals and companies are being investigated in relation to evidence which has flowed directly or indirectly from the Waisberg commission. For the past several months eight detectives of the Toronto police force and the Ontario Provincial Police have been investigating a number of matters, and it is my hope that these investigations would be complete and all charges that are warranted laid by the end of the year.

Mr. Speaker: Oral questions.

The hon. member for Kitchener.

USE OF INFORMATION BY PUBLIC EMPLOYEES

Mr. J. R. Breithaupt (Kitchener): Mr. Speaker, first of all, I have a question of the Minister of Health.

Will the minister investigate the situation that has come to light in the Doon area in Waterloo region where two public health inspectors purchased a property from two sisters, each of whom was over 90 years of age, in January, 1972, for $30,000 and then resold the same property this January for $161,000?

Further, in the light of the potentially lucrative investment opportunities which could be available to public health inspectors or others of that responsibility and which could be abused by them, will the minister present legislation or regulations that will ensure there is no future possibility of this kind of substantial gain accruing to public health inspectors as a result of activities that are apparently in the performance of their duties?

Mr. Roy: A good question.

Hon. F. S. Miller (Minister of Health): Mr. Speaker, I think it should first be made clear that these people are not employees of the Ministry of Health. They are employees, I believe, of the local board of health or health unit and as such they are not really subject to me in a direct way. I would suggest to the hon. member that there has been an exhaustive search within the community, as I am sure he knows, to see if any abuse was made of knowledge that these men had.

Mr. Roy: Isn't it obvious?

Hon. Mr. Miller: Now it happens that two independent appraisals were made at the time of the purchase, both of which showed the property was appraised at the price the people paid for it. There was no knowledge that there would be a sudden change in the value of that property in that particular area, I am told; so competent, reliable appraisers said the property was worth the amount those men paid.

I believe the chairman of the board of health has looked into it and is satisfied that there was no abuse of their particular knowledge. But on the more general topic as to whether one should start making regulations to prevent people with private knowledge from making profits based on that specific knowledge, I think one shouldn't single out the health inspector or, in fact, any inspector; one would have to discuss the thing in terms of the type of inspector who may be privy to some specific knowledge.

I am told there's ample authority currently to take measures against any person who abuses that privilege within the framework of his employment. Therefore, although I am quite willing to listen to other advice from legal people, I personally don't think that one needs to add to the current regulations.

Mr. Speaker: Any further questions?

Mr. Lewis: By way of supplementary, if I may, Mr. Speaker, since this original transaction occurred because the inspectors were called to the home of these two aged sisters in the performance of their specific duty as public health inspectors, since there were subsequently admonished by the chairman of the board that this shouldn't happen again but that there were no regulatory controls that could be imposed on them, and since subsequently they made a 500 per cent profit on a transaction which they took advantage of by virtue of their public trust, doesn't the minister think it's worth looking into the conflict-of-interest potential in situations of this kind? Surely that should be done by government even if the minister comes to the conclusion that nothing is wrong?

Hon. Mr. Miller: Well, Mr. Speaker, I can't say that nothing is wrong. I can only say that the board of health and the people who looked into it say they paid the price the property was worth at the time it was sold.

Mr. Lewis: That's true.

Hon. Mr. Miller: Now, one has a risk, whenever one buys property, that it may go up or down; and of late the price of property in many parts of this province has gone down.

Mr. Lewis: Has gone down?

Hon. Mr. Miller: Yes.

Mr. Lewis: It is a real risk to buy?

Hon. Mr. Miller: At 13 per cent interest, it's a risk any time.

Mr. Lewis: In 1972 it was a risk?

Hon. Mr. Miller: There will always be, I am sure, some people who take advantage of knowledge. I believe the board has acted in what it deemed a fit way in warning people not to take advantage, and I believe the present laws can deal with them.

Mr. Lewis: They didn't even pay the land speculation tax. They even sneaked in before that.

Mr. Speaker: Order, please.

Hon. Mr. Miller: Is the member sure of that fact?

Mr. Lewis: Yes, I am sure of that.

Hon. Mr. Miller: I would only suggest the question of the regulation on this type of thing is not the Minister of Health's decision but rather that of one of my confreres around me.

Mr. Speaker: Any further questions?

Mr. Roy: A supplementary, Mr. Speaker, on this point?

Mr. Speaker: The last supplementary.

Mr. Roy: In the light of the minister's answer that there may or may not be regulations dealing with this problem, has he as minister given any directives to officials, first of all of his department, to try to avoid this type of conflict situation, whether it is against the law or not? And has he sent any directives

to officials of public health boards across the province again not to take advantage of information privy or obtained during the course of their duties?

Hon. Mr. Miller: No, I have not.

Mr. Speaker: The hon. member for Kitchener.

USE OF INFORMATION BY PUBLIC EMPLOYEES

Mr. Breithaupt: I would ask a question of the Attorney General and Provincial Secretary for Justice, Mr. Speaker, following up this same matter, regarding people who have particular public responsibility and who receive information which is possibly available to allow them to receive benefits from a certain activity. Where this has appeared to occur or where it could occur, would the minister not think that as part of his function there should be some regulation dealing generally with the activities of public servants, whether employed by the province or by the regions or municipalities, that would clearly show that this kind of practice is not wanted within the Province of Ontario?

Hon. Mr. Welch: Well, Mr. Speaker, I think the member asked a reasonable question. I would be glad to look into the matter and see whether or not there is any further clarification needed.

Mr. Lewis: By way of supplementary, could the provincial secretary perhaps take a look at the British Columbia legislation which has now come into effect involving all of the elected municipal people but also involving some of the specific employee relationships as they verge on conflict of interest in order to protect the public interest?

Hon. Mr. Welch: Yes, I would be glad to look into that.

Mr. Speaker: Supplementary, the member for Lakeshore.

Mr. P. D. Lawlor (Lakeshore): Apart from the general law touching problems of undue influence and matters of that kind, what is the specific regulation or law of which the Minister of Health previously spoke in this particular regard, which is in effect at the present time?

Hon. Mr. Welch: The minister has indicated to me that he made no reference to any specific law.

Mr. Lawlor: He said there were ample authorities at the present time.

Hon. Mr. Welch: Then perhaps the member would like to direct a question of clarification to the Minister of Health.

Mr. Lawlor: May I redirect the question?

Mr. Speaker: It is irregular to direct a supplementary question to a different minister, but if it is agreeable, it is okay.

Mr. Lawlor: The minister has heard the question. What is the answer?

Hon. Mr. Miller: I think we'll both have to read Hansard after the question period, Mr. Speaker, to see whether your interpretation and mine are the same. I said that the employers had means of dealing with abuses; I didn't say they were necessarily legal or regulatory but they had means of dealing with abuses.

Mr. Lawlor: Tell me about that, then. What are these means? Can they be fired?

Hon. Mr. Miller: I would hope so.

Mr. Speaker: The member for Kitchener.

HOSPITAL SPENDING CEILINGS

Mr. Breithaupt: A further question of the Minister of Health: Would the minister attempt at least to clear up what appears to be the confusion over hospital spending ceilings, given the fact that his deputy minister's letter of last week to all hospital administrators left the impression that ceilings had been lifted, whereas the minister is quoted today as saying that they have not been lifted?

Hon. Mr. Miller: Mr. Speaker, I don't know whether the hon. member had the opportunity to read the deputy minister's letter to the hospitals or not. Did he?

Mr. Breithaupt: I have not seen the letter.

Hon. Mr. Miller: Well, I would say that a great substance of at least the Globe and Mail's article yesterday was correct. I took exception only to the first paragraph, from which they created a headline. I assume that first paragraph was added by the editorial desk, not by the writer.

Mr. Lewis: That's because the minister would like this reported lavishly and he doesn't want to impugn motives.

Hon. Mr. Miller: It just so happens I've got a great respect for the accuracy with

which that particular gentleman has reported previous utterances from my mouth.

Mr. Lewis: Which foot?

Hon. Mr. Miller: However, the fact remains that we have a ceiling on hospital spending. The ceiling is not a set percentage of last year's budget but rather a ceiling on the sum total of all budgets, and because we've had variations in hospital increases that differ from place to place and from hospital to hospital, a constant incremental percentage would not be a fair means of dealing with the problems hospitals face in the coming year.

So we have an overall ceiling; we do not have an individual ceiling as a percentage.

Mr. J. A. Renwick (Riverdale): Just depends on who gets to the trough first.

Mr. Speaker: Any further questions? The hon. member for Kitchener.

OMB HEARINGS ON MATTICE

Mr. Breithaupt: A question of the Minister of Housing, Mr. Speaker: Can the Minister of Housing explain why the Ontario Municipal Board has agreed to postpone indefinitely the hearings on the incorporation of the town of Mattice, near Hearst, and can the minister explain how TransCanada PipeLines was able to win an adjournment in this matter, presumably so as to delay this incorporation, which is wanted by the 1,200 people who live in the area?

Hon. D. R. Irvine (Minister of Housing): Mr. Speaker, I don't believe this question should be directed to myself. I'm not aware of the proceedings. I would think it should be directed to the Attorney General or possibly to the Minister of Intergovernmental Affairs.

Mr. Breithaupt: I will redirect it to either of those two gentlemen if we see them later.

Mr. Roy: Where is the Attorney General?

Mr. Lewis: He came in for a while.

ROSS REPORT ON POLICING

Mr. Breithaupt: A question of the Solicitor General: Can the minister make public the report prepared by John Ross which—at least according to a recent report in the Globe and Mail—indicates widespread dissatisfaction among Ontario policemen, not only with their level of training but also with the sophistication of the equipment that is at their disposal?

Hon. G. A. Kerr (Solicitor General): Mr. Speaker, Mr. Ross was employed by the province in the "Youth and the Law" programme, I believe, during the summer of 1972, and also while he was at university he was, at his request, given a commission or a job to look into aspects of policing that have been reported in the paper over the weekend.

His commission hasn't actually been finished. He submitted an interim report, which was referred to in the press report, but hasn't submitted his final report. However, the report he did submit to my ministry was quite valuable, quite useful, and was turned over to the Ontario Police Commission. It was used by the task force on policing in compiling its report and recommendations. So what Mr. Ross did was of some benefit. The report wasn't shelved and it wasn't considered a secret report in any way.

Mr. Roy: Why didn't the minister make it public?

Hon. Mr. Kerr: We consider the contribution he made to be quite valuable but not complete. So, as a result of that, a study was implemented immediately after the task force report was released last winter, dealing with the whole area of recruitment, screening of recruits and training and education. I hope to have that report by the end of the year.

As I say, what Mr. Ross did for us will be of benefit in respect to any final conclusions we make and any changes we make in our regulations.

Mr. Speaker: Any further questions? The member for Scarborough West.

STUDIES ON DEATHS IN URANIUM MINES

Mr. Lewis: Yes, Mr. Speaker, I'd like to begin by following up on my questions to the Minister of Natural Resources. Has the minister found what has happened to Dr. Muller's report of 1973? Who had it? Where it went? Why it was never tabled?

Hon. L. Bernier (Minister of Natural Resources): Mr. Speaker, my examination is not totally complete at this time. I'm informed that it wasn't a report in total to which the member referred and made an insinuation, it was a preliminary submission. In my discussions with Dr. Muller, just as

late as an hour ago, I asked him the very question, "Was this part of an overall study?" He said, "Yes, it formed part of the study which you tabled in the Legislature yesterday." I asked him if there were any problems or any delay in producing the preliminary submission. In his words: "Nothing has been neglected by this being released all at once." This was done on Sept. 6.

Following that, I feel quite confident that the course of action we've taken is the correct one and in the best interest of all those concerned. We're as concerned with the cancer problem caused by radiation in uranium mines as I'm sure the hon. member is. I think we're on the way to getting further information. As a matter of interest, Dr. Muller pointed out to me that this is part of an overall study. There will be continuing investigations. In fact, further data, because of changes in definitions that they've used, will be done in the second portion of 1976. So, we will have a series of ongoing reports to assist us in our studies.

Mr. Lewis: By way of supplementary, since Dr. Muller himself calls it a previous report, dated 1973, could the minister find out and inform the House what happened to the document? It was obviously a document. Now what happened to it?

Hon. Mr. Bernier: Yes, Mr. Speaker, I'm attempting to find that out.

STUDIES ON DEATHS IN URANIUM MINES

Mr Lewis: Could I ask a question of the Minister of Health, Mr. Speaker? Since Dr. Muller, Mr. Speaker, is the medical consultant for his ministry's occupational health protection branch, could the minister find out and inform the House what happened to the report which Dr. Muller completed in 1973 on the cancer conditions in the uranium industry, for whom he did it and to whom he gave it?

Hon. Mr. Miller: Yes, Mr. Speaker.

Mr. Lewis: Thank you.

DAYCARE SERVICES

Mr. Lewis: May I ask of the Provincial Secretary for Social Development might she now indicate to the House that at least two of the names on the list which she read out to the Legislature at the end of the session on Monday evening as being on the task force responsible for preparing the daycare material were incorrect and that neither the Deputy Minister of Community and Social Services, Miss Crittenden, nor Miss Stapleford, the head of the day nurseries branch, were, in truth, on the task force?

Hon. M. Birch (Provincial Secretary for Social Development): Mr. Speaker, through you to the Leader of the Opposition—

Mr. Roy: He's not the Leader of the Opposition.

Hon. Mrs. Birch: I mean the leader of the NDP—another Freudian slip.

Mr. Lewis: The minister has no dissent from me. It's the first time we've agreed.

Interjections by hon. members.

Mr. Breithaupt: Just trying to get the minister trapped.

Mr. Speaker: Order, please.

Hon. Mrs. Birch: During my estimates on Monday evening, I was asked who had prepared the report on day care.

Mr. Roy: The two are going to be holding hands.

Mr. Speaker: Order, please. We cannot hear the answer.

Hon. Mrs. Birch: I gave the names of 16 people who had been involved. I wouldn't want the House to have the impression that all of those people worked on the original task force.

Mr. E. W. Martel (Sudbury East): Who did?

Hon. Mrs. Birch: However, all of them did make a contribution at various stages on different work study groups. Those two people the member mentioned were involved in that area.

Mr. Lewis: Yes, but does the minister agree that they were not on the task force?

Hon. Mrs. Birch: They were not on the original task force.

Mr. Lewis: As an ongoing process. By way of a supplementary, is the minister aware that the daycare coalition people who visited the Premier earlier this week are under the very distinct impression that he indicated to them that the daycare regulations would not be promulgated until the advisory council or advisory committee had scrutinized them and made a report, and that they view that as an

undertaking? Is that undertaking from the Premier acceptable to the minister?

Hon. Mrs. Birch: Yes, Mr. Speaker.

Mr. Lewis: Well, that's very interesting.

Hon. Mr. Grossman: What did the member want her to say? Did he want her to say no?

Mr. Lewis: We're just moving back slowly. Soon we'll get to the report itself. Give us just a few days.

OIL PRICES

Mr. Lewis: I have a question, Mr. Speaker, of the Minister of Energy, if I may. Now that the total profit picture for the oil companies thus far this year is up to date, showing Shell Canada up 92.2 per cent, BP up 101.9 per cent, Gulf up 106.5 per cent and Imperial Oil up 84.2 per cent over the six or nine-month comparable period of last year, does he not think it is legitimate now for the government to insist that the oil companies be brought before the Ontario Energy Board to justify both those prices they are charging for gasoline and home fuel oil and to justify any subsequent increases they may intend?

Hon. Mr. McKeough: No, Mr. Speaker.

Mr. Lewis: May I ask, by way of supplementary, is it the government's intention then—

Mr. Renwick: Absolutely unbelievable.

Mr. Lawlor: No social responsibility.

Mr. Lewis: —for the oil industry to engage in profits which can only be called obscene and more grossly obscene month to month, without ever protecting the consumers of Ontario?

Mr. Lawlor: What is the minister there for?

Hon. Mr. McKeough: Mr. Speaker, the simple fact of the matter, as the hon. member well knows, is that the level of profits achieved by the oil companies is largely a function of the price which they have received as producers—

Mr. Lewis: Ah. The minister has mastered his portfolio—and the principles of accounting.

Mr. J. E. Bullbrook (Sarnia): He'll be back as Treasurer in no time.

Hon. Mr. McKeough: It is largely a function of the prices which they have received as producers of crude oil at the well-head, which price is controlled by the government of Canada and currently is set at $6.50. If $6.50 is too high, if the producing companies are making too much money, then it is a function of the government of Canada to adjust that price—not the Ontario government.

Mr. Breithaupt: As a supplementary, does the minister intend to make any suggestions to the federal authorities with respect to the changing of those prices in his position as the spokesman on energy for the Province of Ontario?

Hon. Mr. McKeough: From time to time, Mr. Speaker, we make a number of suggestions to the government of Canada.

Mr. E. R. Good (Waterloo North): Did the minister ever hear of lowering the retail price?

Mr. Speaker: Any further questions?

LOANS TO LAKE ST. CLAIR FISHERMEN

Mr. Lewis: Mr. Speaker, could I ask the Minister of Natural Resources if it is his intention at some point to indicate to the Lake St. Clair fishermen that the loans which were made to them, albeit in very modest amounts over the three years in which they were made, are to be forgiven? Or is this to be a matter of uncertainty for a further period of time?

Hon. Mr. Bernier: Mr. Speaker, I met with the Lake St. Clair fishermen just a short time ago. We discussed a number of points, including the mercury content and other problems relating to the Lake St. Clair fishery, which has now been turned off, as the member is very much aware. I indicated at that time that I would take it upon myself to bring the question of these loans to cabinet to see if there was some way that we could alleviate this burden on them.

Mr. Lewis: By way of supplementary, since it does not appear, perhaps for good reason, given the mercury pollution, that commercial fishing will be reinstated, although the ministry is conducting new tests, and since these 40 or 43 families of fishermen have in effect lost their economic livelihood, does the minister not think it is simple justice that government compensation for a law which destroyed their economic livelihood should be forgivable, at least in part, rather than simply being a matter of loan? The government makes forgivable loans to many multinational

corporations. Is it not possible to do that for some fishermen?

Hon. Mr. Bernier: Mr. Speaker, I must inform the leader of the New Democratic Party that we are very much ahead of him. He will recall that when the loans were implemented, the federal government shared them with the province on a 50-50 basis. We have already contacted the federal government—and this was some time ago—in the hope that they would forgive their 50 per cent, but they have turned us down flatly; they weren't interested in entering that type of agreement. But we are still moving ahead with our desire to make them forgivable.

Mr. Speaker: The hon. member for Ottawa East.

DISTRIBUTION OF POLITICAL MATERIAL TO SCHOOLS

Mr. Roy: Thank you, Mr. Speaker. In the absence of the presence here of the Minister of Education (Mr. Wells), I have a question of the Provincial Secretary for Social Development.

My question has to do with a pamphlet titled, "The Body Politic," and sent under the letterhead of the Ontario Conservative Party by Mr. Duncan Green to all the librarians of the schools across the province, and saying: "The staff and students of your high school will find these helpful and they should prove quite useful in the Canadian studies courses at your school."

Is it part of the policy of the minister that school facilities should be used for the propaganda of the government? Secondly—

Hon. Mr. Kerr: It is required reading.

Mr. R. G. Hodgson (Victoria-Haliburton): It is not an urgent question.

Mr. L. C. Henderson (Lambton): He is hard up for questions.

Mr. Roy: It bothers them, eh? Well, maybe the minister will answer my first question, then I will ask a supplementary.

Hon. Mrs. Birch: Mr. Speaker, I'm not aware that this had been distributed to all the school librarians. I will take it as notice and talk to the Minister of Education.

Mr. Roy: If I could advise the minister, along with the pamphlet, there was an 8 by 10 in. photograph of the Premier.

Interjections by hon. members.

An hon. member: Get an autograph.

Mr. Roy: As the minister involved in policy, is there no partisan scheme that she will not use to further her political motives?

Hon. Mr. McKeough: If I was the hon. member, I would tell that to his leader.

Mr. Lewis: I have one supplementary.

Mr. Speaker: The member for Rainy River had a supplementary, or did he withdraw?

Mr. Lewis: I have one supplementary.

Mr. Speaker: The hon. member for Scarborough West.

Mr. Lewis: When the minister reports to the House, can she tell us whether there was any significance to the choice of the title, "The Body Politic," given its association with a regular monthly publication?

Mr. T. P. Reid (Rainy River): Mr. Speaker, I have one further supplementary.

Mr. Speaker: It will be the last one.

Mr. Reid: Will the minister also look into the fact that—not in this pamphlet but in the one I have in my possession—there are government pamphlets and publications that are obviously being used by the Progressive Conservative Party at public expense?

An hon. member: That's right.

Mr. Speaker: Are there any more questions by the NDP? The member for Thunder Bay.

Mr. Bullbrook: Next month they're sending out the picture of the member for Lambton.

Mr. Breithaupt: He will be the centrefold.

Mr. Lewis: It will be a very masculine pose.

Mr. Bullbrook: He and Burt Reynolds.

Interjections by hon. members.

Mr. Speaker: The member for Thunder Bay. Order, please.

MINAKI LODGE

Mr. J. E. Stokes (Thunder Bay): I have a question of the Minister of Industry and Tourism. Is there any truth in the rumour that his ministry and his government have engaged Harley Little Inc., architects, of 920 Yonge St. here in Toronto, to undertake the remodelling of Minaki Lodge? Is it true

that the estimated cost could run as high as $10 million? Is it also true that there were no bids on the three stages of the remodelling and is it true that he engaged a well-known firm from Thunder Bay which is a particular friend of the Conservative Party?

Mr. Breithaupt: I thought we just bailed out that project.

An hon. member: Let the member give us a name. Come on, who is the firm?

Mr. Stokes: Tom Jones.

Hon. Mr. Grossman: Tom Jones? The member is mixing that up with the body politic.

Interjections by hon. members.

Mr. Speaker: Order, please. We're wasting time.

Mr. Martel: The guys over there are perverse.

Hon. C. Bennett (Minister of Industry and Tourism): Mr. Speaker, it is not true that the ministry has contracted with Harley Little. It would be true to say that the board of directors of Minaki Lodge Inc. has contracted with Harley Little.

Mr. Lewis: That is like saying the minister didn't lend any money to Levi Strauss, just to their wholly-owned subsidiary.

Hon. Mr. Bennett: There is a very clear distinction even though the NDP in their lack of knowledge of corporate structure wouldn't understand this.

Hon. Mr. Bernier: Sidney Green thinks it's a great thing. He would love to have it in Manitoba.

Hon. Mr. Bennett: Second, I was asked if there had been a contract. There has been no contract for construction to my knowledge. There have been proposals submitted by Harley Little, and they are for more than one reason, sir.

Mr. I. Deans (Wentworth): Oh, yes. We can bet on that.

Mr. Lewis: At least two.

Hon. Mr. Bennett: The member is very right.

Mr. Renwick: The minister seems to be very well informed for no involvement.

Mr. Lewis: They are there for Fort William.

Hon. Mr. Bennett: We are at the moment, Mr. Speaker, taking the Harley Little report and, I might say, input from others as well, and we are in negotiations with DREE on the ownership of Minaki Lodge and its further development.

Mr. Stokes: A supplementary.

Mr. Speaker: A supplementary, the member for Thunder Bay.

Mr. Stokes: The minister indicated in his reply that the government wasn't really interested. Is it not true that the Ontario government has taken over trusteeship of Minaki Lodge?

Hon. Mr. Bennett: The Province of Ontario through the development corporation is the owner of Minaki Lodge. Its administration and operation as a private corporation are by their board of directors.

Mr. Lewis: But they didn't have anything to do with the contract.

Mr. Reid: A supplementary, Mr. Speaker.

Mr. Speaker: A supplementary.

Mr. Reid: May I ask the minister what arrangements were made when the government took over Minaki Lodge? Did it buy it from the owner who was then, I believe, Mr. Rod Carey? Did it purchase it from him or did it just take over the payment of the debts of Minaki Lodge?

Mr. Stokes: And retain him as a consultant?

Hon. Mr. Bennett: Mr. Speaker, I am sure the House will recall some months ago I reported the position of the development corporation in regard to the acquiring of Minaki Lodge. We had loaned the original owner a substantial sum of money under the tourism development plan and, as time went along, he found it was impossible for him to maintain or develop the lodge the way he believed it should be developed. He was having difficulty in trying to make his repayment plan to the government as well as keeping up his first mortgage, which was to a gentleman by the name of Griswell, from the United States. As a result of this, it was the decision of the government that we should take over Minaki Lodge, lock, stock and barrel, and bring it back under Canadian ownership 100 per cent.

As a result, we paid off the first mortgage and it is now a complete asset of the government of the Province of Ontario and one that we believe will add greatly to the tourism position in this province. I can assure the members of this House that we are not the first government of a provincial stature to undertake the ownership of resorts in their various provinces.

Mr. Lewis: That is true.

Mr. Speaker: Order please. The Minister of Housing has the answer to a question from the opposition.

Mr. Breithaupt: Soon we are going to have roads to resorts.

Mr. Lewis: The minister would be nationalizing everything if he could get his hands on it. We know him. Hands off the mining industry, fellow.

Mr. Speaker: Order please.

Interjections by hon. members.

Mr. Speaker: Order please. Is this a further supplementary?

Mr. Reid: Mr. Speaker, a supplementary: Can the minister assure the House that the moneys that were lent, given, granted, or whatever, by the provincial government and the federal government, in effect, went into Minaki Lodge, and that when the smoke cleared and the government had control, the $675,000 was in the lodge, and that neither Mr. Griswell nor Mr. Carey in particular came out of that business deal with any government funds?

Hon. Mr. Bennett: Mr. Speaker, if I understand the question—and I am not too sure now whether the member is referring to the two parties or the one—Mr. Griswell came out with his mortgage money. Mr. Carey came out, as far as we are concerned, sir, with no advantage to him whatsoever. The money we had loaned to him, from what we can understand from our monitoring, was invested in the plan.

Mr. Speaker: The Minister for Housing.

SILVER LAKES ESTATE

Hon. Mr. Irvine: Mr. Speaker, yesterday the member for Waterloo North asked me a question:

> Is the minister aware of the scheme at Silver Lakes Estate whereby land is being subdivided and rented out on a 10-year lease, after which the proposed tenant is supposed to own it, subject to getting approvals and consent from the planning department at his own expense? Has the minister looked into this scheme at all? I think it is the result of a loophole in the Planning Act.

Mr. Speaker, I was well aware of one proposal, and I want to determine whether or not there was more than the one proposal.

The member has informed my staff that he was referring to the proposed development in the townships of Oso and South Sherbrooke. This matter was brought to my attention some time ago and I would like to say to the member that there is no way that I can stop people from leasing land for less than 21 years and subsequently applying for a consent. However, more importantly, I felt it was very important for my ministry to control the use of the land and the construction of dwellings in this particular situation.

On Sept. 9 of this year, I imposed zoning orders on both townships, pursuant to section 32 of the Planning Act. These orders were designed in such a way so that any residential development, including cottages, will not be permitted unless they are on lots having a minimum of 25 acres. I understand the lots being offered for lease are much smaller than 25 acres and would, therefore, require amendments to the zoning order before any residential construction could take place.

I have been informed that there are no building permits in the hands of the developer and I expect that my zoning order will be fully complied with by the township and by the developer, realizing that what was proposed is not in the best interests of the people in that area.

Mr. Good: Supplementary: Since the minister has said there is nothing he can do to stop the leasing of land for under 21 years, is he aware that the lease price paid on a monthly or yearly basis for the 10-year lease equals what they call the sale price, and it's not until the individual prospective purchaser goes to sign his agreement that he is told that this is a leasing arrangement? This looks to me like another loophole that someone has found to get around the Planning Act provision.

Now surely these people need some protection. They think the lot is being paid for over a 10-year period, but find in the end that consent will not be given and they are left without any land. Now, the government has plugged up checkerboarding and other things—

Mr. Speaker: Is there another question?

Mr. Good: —surely the minister should do something to stop this procedure, which is going to be detrimental to these people 10 years from now.

Hon. Mr. Irvine: Mr. Speaker, I think the hon. member should be aware that this matter has to be between the developer and the person wishing to buy the land, or lease the land. Certainly it's not a matter for me to decide.

Mr. Speaker: The member for York-Forest Hill.

INSULIN SUPPLY

Mr. P. G. Givens (York-Forest Hill): Mr. Speaker, I'd like to ask an urgent question of the Minister of Health. Would the minister care to make a statement to reassure the diabetics of this province, who depend on the supply of insulin for the maintenance of their lives, that this supply of insulin will be assured at a reasonable price; and that he will do everything in his power to see that both the supply and the price of insulin will be prevented from being manipulated for either private or corporate gain?

Mr. P. J. Yakabuski (Renfrew South): Talk to Trudeau.

Hon. Mr. Miller: Mr. Speaker, I don't know if the hon. member was here Monday—was he?

Mr. Roy: The minister wasn't.

Hon. Mr. Miller: I was here.

Mr. Roy: The minister hasn't been here for two weeks.

Hon. Mr. Miller: The member for Ottawa East just missed a day out there.

Mr. Roy: In fact, I am so pleased to have him back.

Hon. Mr. Miller: I missed the member's pretty face.

Mr. Deans: Did he choose the name, "Body Politic?"

Interjections by hon. members.

Hon. Mr. Miller: Thank you, thank you. In any case that question was, in substance, asked on Monday.

Mr. Lewis: "Body Politic." Boy, have they got the PR outfit over there.

Hon. Mr. Miller: I am told that the basic problem has been a competition in the marketplace for pancreases from slaughtered animals. The price has shot up tremendously in the last few months. As well, the transfer of the production of insulin from a state-owned institution to one owned by the Canadian Development Corp. has caused a change in pricing policies, and the products have to make a profit now. This is not run by this province. I understand the federal government has a meeting on Nov. 18 to discuss the price aspects. We feel relatively sure that there is no shortage, or potential shortage, of insulin itself.

Mr. Speaker: The member for Sudbury East.

Mr. Martel: A question of the Minister of Correctional Services: Because of the petition signed by over 16,500 people in the Sudbury area—and which I am going to send over to the minister in a moment—concerning the shutdown of Burwash, would the ministry reconsider its decision to close that correctional centre?

CLOSING OF BURWASH CORRECTIONAL CENTRE

Hon. R. T. Potter (Minister of Correctional Services. No way, Mr. Speaker.

Mr. Lewis: And that is a representative sample of this government.

Mr. Martel: This is the body politic. A supplementary question, Mr. Speaker.

Mr. Speaker: Supplementary.

Mr. Martel: Does the minister not consider that the municipalities involved in the area —and who are also petitioning the minister— have some right to prevent the fourth largest payroll disappearing in the cavalier fashion which the minister has done so?

Hon. Mr. Potter: Mr. Speaker, I am trying to run the ministry of Correctional Services, not an employment bureau.

Mr. Lewis: Now, that is a really nice answer.

Mr. M. C. Germa (Sudbury): Supplementary, Mr. Speaker.

Mr. Speaker: Order, please; one supplementary. The member for Sudbury.

Mr. Germa: Mr. Speaker, since the decision on closure by the Minister of Correctional

Services is irrevocable, what action is this govenment taking to replace the 225 lost jobs which this decision has caused in the Sudbury area?

Hon. Mr. Potter: Mr. Speaker, as I have said previously in the House, that's not my responsibility; that question properly should be directed to the Premier or the provincial Treasurer (Mr. White).

Interjections by hon. members.

Mr. Speaker: The member for Huron-Bruce.

Mr. Lewis: The minister reads them one by one. That is the first installment.

SNOWMOBILE LEGISLATION

Mr. M. Gaunt (Huron-Bruce): Mr. Speaker, a question of the Attorney General: When does the Attorney General plan to introduce—

Interjections by hon. members.

Mr. Speaker: Order, please. The member for Huron-Bruce has the opportunity to ask a question.

Mr. Gaunt: —introduce legislation along the lines suggested in the snowmobile select committee report as it relates to trespassing on private property? And would the minister agree that such action is particularly important in view of the Supreme Court decision of recent date awarding $30,000 in damages to a snowmobiler who was tresspassing?

Hon. Mr. Welch: Mr. Speaker, the decision of the Supreme Court obviously is of great interest and the implications of it are as the hon. member suggests. The intention of the government with respect to legislation will be announced in due course.

Mr. Gaunt: A supplementary.

Mr. Speaker: Supplementary.

Mr. Gaunt: Does the minister have any suggestions as to what might be done in the interim to protect the many thousands of people who are property owners in this province and who would be adversely affected by this decision?

Hon. Mr. Welch: Mr. Speaker, I think the answer I gave to the first question would indicate that the matter is under active consideration by the ministry.

Mr. Speaker: The hon. member for Wentworth.

Mr. Deans: Yes, a question of the Minister of Labour.

Mr. Gaunt: A supplementary, Mr. Speaker? Just a short supplementary?

Mr. Speaker: I think not. It seems to me the same question was asked a couple of days ago.

Mr. Gaunt: No, I don't think it was. That was another one.

Mr. Roy: It couldn't be, Mr. Speaker, because the Attorney General was out of town.

Mr. Speaker: The hon. member for Wentworth. We are running out of time.

DEATHS AT GENERAL STEEL WARES PLANT

Mr. Deans: Thank you. I have a question of the Minister of Labour.

Can the minister indicate whether the second report prepared by the occupational health branch of his ministry into the coolant used by General Steel Wares, which is felt by some to have contributed to the death of four workers, does in fact indicate that there may be a causal relationship between that coolant and the deaths?

Hon. J. P. MacBeth (Minister of Labour): Mr. Speaker, is the hon. member asking whether there has been a further report or is he referring to the report that was tabled here in the spring?

Mr. Deans: No. Is the minister not aware that there was a second investigation conducted by Dr. Tidey of his ministry, the report of which is now available although not yet tabled in the House or made public? And does that report indicate any relationship between the deaths and the use of the coolant by General Steel Wares?

Hon. Mr. MacBeth: Mr. Speaker, I realize there were some further inquiries going on subsequent to the original report I tabled. The original report came from the Ministry of Health, as the hon. member will recall, but I did not know that there had been any further report. Whether it is with the Ministry of Health, I am not sure; but I will investigate. At the present time I know of no further report. It hasn't reached me.

Mr. Speaker: The Minister of Natural Resources has an answer to a question asked previously.

Hon. Mr. Bernier: Mr. Speaker, this is an answer to the question that was asked of me by the member for Thunder Bay.

Mr. Deans: Why doesn't the minister just tell him what it is? He is standing in front of the minister.

TIMBER PURCHASES FROM INDEPENDENT CUTTERS

Hon. Mr. Bernier: Mr. Speaker, just yesterday, I believe, the member for Thunder Bay asked if I would check into the report that MacMillan Bloedel were not living up to their commitment to purchase wood from independent contractors in the Thunder Bay area.

I did check into this and I find that contracts have been entered into for the supply of about 65,000 cords of poplar wood this coming season. This is the largest contract for poplar that has ever been entered into in that particular area, and it is the maximum amount that MacMillan Bloedel could use between now and the end of March.

After the end of March, of course, they will be entering into further negotiations and contracts with contractors to supply them with additional wood.

Mr. Stokes: As a supplementary, does this mean that the local contractors will not be able to cut any more wood than can be used by MacMillan Bloedel from now until the end of March?

Hon. Mr. Bernier: Mr. Speaker, we have no control over the cutting or sale of wood from private lands, but we do have control over the wood that is cut on Crown lands; and in order to meet the requirements of MacMillan Bloedel on a long-term basis, we do have to control the amount being cut on those Crown lands. It's obvious that some contractors may not have entered into an agreement with MacMillan Bloedel.

Mr. Speaker: The hon. member for Waterloo North.

Mr. Good: Thank you, Mr. Speaker. I have a question of the Minister of Energy.

Mr. J. F. Foulds (Port Arthur): Supplementary, Mr. Speaker.

Mr. Speaker: No, I think the time is about up. We had better leave the time to questions.

APARTMENT ELECTRICAL RATES

Mr. Good: Is the Minister of Energy aware that the Hydro regulations for the local utilities commissions, known as standard application of rates, requires the transfer of apartment electrical energy from a residential rate to a general rate; and that this is working undue hardship on tenants who are being transferred, to the extent that one apartment building of which I have knowledge will have its hydro rates raised 53 per cent, which will be passed along to tenants? Why should tenants in highrises be discriminated against by paying more for their electricity than single-family houses?

Hon. Mr. McKeough: Mr. Speaker, I am not aware of that. I will be glad to look into it for the hon. member and get back to him.

Mr. Speaker: A question from the NDP—the hon. member for Port Arthur.

HARDWOOD CUTTING QUOTAS

Mr. Foulds: Mr. Speaker, a new question of the Minister of Natural Resources: Is he not aware that the actual projection for hardwood cutting in the immediate Thunder Bay area was something in excess of 65,000 cords annually? And does he not think it fair that the independent loggers who can't find markets elsewhere should be able to cut, in the coming year, up to the top limit that his ministry projected?

Hon. Mr. Bernier: Yes, this is a very important point, Mr. Speaker. As the member knows, we went into some very lengthy investigations to try to establish a new industry in the Thunder Bay area, whereby we attracted this type of investment in the amount of $12 million to $14 million, to provide something like 225 or 250 additional jobs. It's obvious, with that kind of an investment and that kind of employment, on a long-range basis, we do have to protect the resources on a long-term basis for that particular company. It may well be that there will be some difficulties felt for those people cutting off Crown lands, but we can't have it both ways. We can't be cutting the resource and shipping it out to some other industry and have the industry located in that particular area.

Mr. Foulds: But is it not true that if MacMillan Bloedel were able to use the full amount of the cut this year, the minister would allow them that cut? Why isn't he

allowing independent loggers the same privilege?

Mr. Speaker: Order. The question period has expired.

Petitions.

Presenting reports.

Hon. Mr. Potter presented the annual report of the Ministry of Correctional Services for the year ending March 31, 1974.

Mr. Speaker: Motions.

Introduction of bills.

Orders of the day.

Clerk of the House: The 19th order, House in committee of supply.

ESTIMATES, MINISTRY OF HEALTH

Mr. Chairman: Does the minister have a statement?

Hon. F. S. Miller (Minister of Health): Mr. Chairman, I would like to open my estimates with a statement so that I can summarize, in effect, some of the thoughts and some of the changes in our programme in the last while.

When this province committed itself to administering a basic health-care programme for the population, the resources already in existence and the funds available were sufficient for the system to become, within a few years, comparable to the best in the world. We attained this position with cost a secondary consideration. Now we are in another age. We know the benefit a good, comprehensive system of health care provides and we do not mean to lower the standards of quality that have been set.

What we can do, and what we are in fact doing, is to apply our acquired experience to see how proper health care can be equally well provided at lower cost by effective teamwork and co-operation, by alternative and innovative treatments, and by concentrated effort on the most urgent problems.

There is something else we are doing. That is, to give greater emphasis to securing better health for the population of the province by means of practical and intensive campaigns for health promotion and illness prevention.

It is particularly essential, indeed, that these benefits should be widely recognized and pursued at this time when the cost of health care is a matter for active concern.

As the House will be aware, health care in the Seventies has been particularly hard hit by the world-wide escalation of costs for all goods and services. This escalation, coupled with the call for more and costlier health services, has kept costs rising continuously.

A major factor in rising costs is attributable to the substantial salary increases negotiated this summer for certain groups of health workers. Of these, I can say that I am satisfied that increases were necessary, and that I consider the outcome of the negotiations as reasonable to both sides as the situation allowed.

Unquestionably, however, these settlements will be responsible for peaks in health-care costs increases, both this year and next.

Long before this occurred, however, it was comparatively easy to recognize that one of the major causes of increasing health costs lay in the established hospital-oriented tradition of health care, for so long accepted by both the public and the medical profession.

As the House will know, we have achieved some success with the introduction of alternative care programmes, making more extensive use both of home care and extended care in the nursing home system; but I will speak of these later.

In attempting to identify other individual causes of the increasing costs of health care, it became apparent that some were equally deeply rooted in our conventional health-care system. Others were attributable to the gradually extending boundaries of our definition of health care and, of course, to the simple fact that many people who previously were not seeking professional help are now doing so.

It's for all those reasons that, as the House will know, every aspect of the existing health-care system is now undergoing careful examination. The view is not only to effect economies, improvements and, hopefully, extensions to the present services, but also to bring all costs under a greater measure of control.

Revisions of this magnitude, however, require full consultation and prior agreement with all the health professions and health agencies concerned. It is evident that there are major and fundamental issues still needing to be resolved. And the House can have my assurance that my own, and my ministry's sincere and determined efforts are being devoted to bringing about as much agreement and co-operation as possible.

The consideration that must ultimately override all others, however, is the welfare of the people. Ontario must have a good health-care system, but it must be a system that the province can afford to maintain. This, in effect, means that our paramount consideration is to ensure that growth in total costs are related as far as possible to some logical index, such as the gross provincial product.

The process of consultation to which I have referred is now in progress, but I doubt whether a unified plan will take shape before the early part of 1975.

The estimates that I am now presenting have, accordingly, not been predicated on any advance assumptions of whatever major changes to the system may be effected. But that is not to be interpreted as an indication that substantial changes in emphasis have not already taken place.

I remarked earlier of our alternative care programmes. In the fiscal year 1973-1974, a total of 33,552 patients were entered into the home-care programme now available in 41 areas of the province in which 99.1 per cent of the population is living. This shows an increase of 24.4 per cent over the number of patients entered into home care in the preceding year. Costs were held to an average net operating expense of only $8.52 a day. This figure, of course, excludes medical expenses and such things as the use of dialysis equipment where needed. The average stay for each entry was just over 24 days.

The major service provided in home care is nursing. But, beside nursing, people in home care received when they needed them such extra services as physiotherapy, occupational and speech therapy, diagnostic services, dressings, drugs and medical supplies, the loan of a hospital bed and transportation. During 1973-1974, 80 per cent of the admissions in the home care were from hospitals; only 20 per cent of the increase was in place of hospitalization. That, though, was an improvement on the previous year and we are anticipating a further improvement in 1974-1975. All told, we are looking to a 20 per cent increase in the number of home-care patients during the year, that is to say, a total of more than 40,000, at an average cost of $10.43 per day.

Similarly, in our extended-care programme for patients requiring nursing-home care, the net total of nursing-home beds available increased by approximately 4.3 per cent during the fiscal year 1973-1974 to a figure of 23,479. During the year, our policy of continuously upgrading the quality of the nursing homes was continued. In consequence, 43 existing homes were closed and 13 new homes of larger capacity were licensed in the same period.

Additional beds were also approved in existing licensed nursing homes. By the end of September, 1974, the figure was up to 24,601 available beds and by March, 1975, we anticipate a further 750 to 790 beds will be added. Where they are adequate and appropriate to a patient's actual needs, the home-care programme, the extended-care programme and, of course, the ambulatory-care programmes, operated by our hospitals and outpatient treatment all afford treatment at a fraction of the cost of inpatient hospital care. Inpatient hospital care, which has always represented something more than 50 per cent of our total health costs, will necessarily remain a basic need in those instances of acute or chronic sickness or injury demanding a high intensity of care.

Because of the factors causing the cost of inpatient care to show a disproportionate increase—more people per thousand of population being admitted, more technicians per hospital, more doctors per patient and higher wages and salaries—it is clearly necessary to hold the overall cost of hospital care, in relation to the total health costs, at its lowest practical level. I can, however, assure the House that this is not a matter on which there is any real contention between the Ministry of Health and the hospitals. Although the ways and means of achieving the objective can be a matter for discussion, the demands of the overall situation are fully understood on both sides.

Many hospitals, indeed, have taken the initiative in introducing measures promoting greater efficiency and cost reductions by commonsense agreement among themselves. In Kingston, for example, there are two fine hospitals—the Kingston General and the Hotel Dieu—working very closely together for the good of the community. During the course of this year, it was agreed between them that all obstetrics should be undertaken at the Kingston General. A little while later, a new burn unit that had been ordered for Kingston General became available and, because of the rearrangement in progress, they were unable to accommodate it. But the transfer had left space available in the Hotel Dieu and they accordingly have now installed the burn unit originally intended for Kingston General. Equally significant, in Smiths Falls, where there have been two separate, self-contained hospitals, St. Francis General and the Smiths Falls Public Hospital, soon—as a result of the

generous-minded attitude of both hospital boards—there will be one new entity administering both hospital areas, but with no unnecessary duplication of services.

I can give you other examples. In Peterborough, for instance, where, as a result of agreement reached between St. Joseph's Hospital and the Peterborough Civic Hospital, all obstetrics are now being undertaken in the Peterborough Civic, with consequently greater efficiency and economy. Similarly, in North Bay, St. Joseph's General and the North Bay Civic Hospital have a sharing of many common services, and now have only one amalgamated obstetrical unit and only one laboratory.

Similarly, too, in Guelph and in Chatham and in Sudbury—in all three cities—co-operation between the hospitals in the community has allowed one or more services to be concentrated in only one hospital.

I give these only as examples of what is already in operation. Discussions on similar lines are taking place between neighbouring hospitals across the province.

It would be understating the benefits obtained by the many instances where an amalgamated service is now being provided to a community, however, if I left the impression that we are only gaining the advantage of financial savings made possible by avoiding duplication. It goes beyond that. By encouraging specialization, and by providing increased usage of a service provided by one staff, improvements in the quality of care can also be achieved.

In speaking of our hospitals, I might add that apart from the chronic and psychiatric hospitals, I expect all public, private and federal hospitals in Ontario will be enrolled with the Hospital Medical Records Institute—known as HMRI—which is operated as a joint arm of the Ontario Medical Association and the Ontario Hospital Association.

The HMRI service collects and collates statistical data from every hospital, and each month prepares a set of analysis reports for each hospital. I am pleased to report that as a result of a service agreement just concluded, copies of all this data will be provided quarterly to the ministry from the beginning of 1975. This will meet a major ministry requirement for accurate, current statistical information, and will undoubtedly assist in the integration of all our services.

In the field of total health-care delivery, other significant developments are taking place in the area of mental health. Including one centre for emotionally disturbed children, Ontario now operates 15 psychiatric hospitals. There is, I'm pleased to say, a continued decline both in the length of stay and in the proportion of patients admitted on an involuntary basis.

The overall reduction in the resident population of the psychiatric hospitals is still more dramatic. From the peak of 15,700 patients in 1960, the total dropped to 7,800 in 1972, and today is 5,940. In other words, a reduction of about 62 per cent in 14 years.

The present trend is, of course, to the use of existing community facilities for hospitalization. Today, 56 of our general hospitals have psychiatric departments. More than 65 per cent of patients admitted to a psychiatric facility are now treated in one of these general hospitals, probably in their own community.

Obviously, with these resources, a much better distribution of services has been achieved. Every population centre of 30,000 or more throughout the province, in fact, now has a psychiatric facility.

But perhaps one of the most striking statistics of all relates to the increasing number of patients served on an outpatient basis. The figure in 1960 was 19,000. The comparable figure for the 12-month period ended March 31 of this year was 195,000; an increase of more than 10 to 1.

I have not referred to the treatment of retardation, since all members will recall that in April, 1974, mental retardation services were transferred to the Ministry of Community and Social Services. I will turn now to the particular needs of children with mental or emotional disorders.

Prior to 1971, when the Children's Mental Health Centres Act went into effect, these needs received relatively less attention than those of adults. There is now full recognition of the fact that attention to mental or emotional disorders in the earlier years is, in actual fact, of considerable importance.

The following summary of facts clearly indicates the extent of progress in this area since that date:

Government expenditures on children's mental health services have more than doubled since October of 1971. In terms of new approved programmes they will have more than tripled by the end of 1974.

Licensed children's mental health centres (residential type) have increased in number from 20 to 29 and by the end of 1974 will be providing approximately 33 per cent more beds than were available in 1971.

"Special units" for children and adolescents in psychiatric hospitals now provide 177 beds as opposed to 103 in October of 1971.

Residential services in six regional children's centres have been increased from 162 beds in 1971 to the current levels.

Daycare programmes in regional children's centres are now reaching 231 children, as compared to 129 in 1971.

Outpatient services for children and families have been greatly increased in many existing children's mental health facilities since 1971, and 24 general hospital psychiatric clinics will continue to receive special grant assistance to develop such services in 1974-1975.

Inequities in the geographic distribution of mental health services for children throughout the province are gradually being resolved by major increases in programme development in the Ottawa region, and by innovative planning now being undertaken in the northwest.

Finally, a programme which is one of the most promising and imaginative concepts to be tried in this field is just now taking shape. This is known as the four-phased service system, and is particularly directed to the needs of severely disturbed adolescents.

The four phases comprise an assessment centre, facilities for closed, or institutional, treatment, a rural community programme and an urban community programme.

The young person enters the system at the assessment centre, essentially a short-term service heavily staffed with experienced people from various disciplines.

From this first phase, the adolescent could then go into any of the other three phases.

The system allows free movement of adolescents from one phase to another in accordance with their needs and abilities, including back-tracking as well as moving ahead. There is also provision for a central tracing mechanism which would follow the youth through treatment.

This four-phase system—which is designed to be introduced in a variety of different geographic areas—makes use of all existing services required, but introduces new facilities as well.

This is bold, new and challenging work. You could say that we are setting out to find ways to provide treatment for so-called "untreatable" adolescents.

We do not expect overnight success. But though there will be setbacks and difficulties, we believe it holds considerable promise.

We anticipate that approved programmes within this four-phased service system will provide residential treatment for a first group of something over 200 teenagers during the coming fiscal year.

Another of the province's health services I want to mention is the Ontario Ambulance Service. As members are all probably aware, this service—an integration of about 200 different services, privately operated, hospital operated, volunteer, municipal and ministry operated—functions province-wide, and in its scope and degree of automation is unique in North America, perhaps in the world. We can take considerable pride in the interest it has aroused and the way in which its planning is now the subject of study by other jurisdictions.

It is still our objective to continuously upgrade both the responsiveness and quality of the service provided. A casualty care programme of four-week intensive basic training courses for ambulance attendants was first started at Base Borden in 1967, and some 2,100 out of a workforce of 2,600 full-time employees have successfully completed this training.

In 1972 a new, expanded two-semester course was introduced at Humber College, and this is now being implemented at three additional community colleges. By September of 1975, the course—offered both as full-time and part-time programmes—is expected to be provided in a total of 10 community colleges. At a future date, all new entrants into the ambulance system will undergo this training.

Our people will also be working with the community colleges to develop equivalent package courses for use off campus, perhaps in the ambulance unit quarters, so as to offer the same degree of training to existing personnel through the Minister of Colleges and Universities (Mr. Auld).

At this point, I would like to refer to OHIP claim statistics for the fiscal year 1973-1974, and briefly discuss how and why we have estimated these will change in the year 1974-1975.

The total number of claims handled was over 40 million, amounting to an average of 533 claims for every 100 insured persons in the province. It also represents 976 actual services provided for each 100 persons. In other words, slightly less than two services for each claim card.

We are estimating that the overall cost of OHIP claim payments in 1974-1975, amounting to some $635 million, will show an increase of 10.9 per cent over the 1973-1974 figure. Of this, 5.3 per cent is attributable

to price increase; 3.9 per cent comes from increased utilization; and the remaining 1.7 per cent because of population increase.

I have been speaking of resources to deal with the treatment of illness and injury, which we can think of as the negative aspects of health. But as I said earlier, the more positive aspect, health promotion, is now taking an increasingly important part in our scheme of things. The Ministry of Health is playing an active part in this, both in the planning and delivery of educational programmes, and in the provision of services in co-operation with the public health units and the hospitals.

There are, for instance, 18 ministry teams now actively working on projects as various as family planning, occupational health services, audio-metric testing, preventive dental care, housing guidelines, nutritional guidelines, distribution of pasteurized milk, nutritional services for the elderly, and an especially important one, physical fitness.

The ministry, in addition to handling written, telephone and in-person inquiries on every aspect of health care, is responsible for conducting a vigorous public information programme using displays, audio-visual presentation, newspapers, film, TV, and supporting print material.

A ministry-sponsored column of reliable health information and advice, called "Today's Health," is appearing in 177 weekly newspapers. Some 10,000 pamphlet display racks, called Health Information Centres, have been distributed across the province in hospitals, doctors' and dentists' offices, public health offices, business and industrial health centres, community information centres and the like—and these are proving helpful.

A continuous supply of new pamphlets is being made available each month. Subjects already covered include smoking, heart diseases, fitness, immunization and poisons in the home, and among those that will be shortly issued will be pamphlets on colds and the flu and nutrition.

The programme I would single out for special mention is the intensive campaign we are waging—with the fullest co-operation from hospitals and public health units—against venereal disease. I single it out, not because we can claim any victories—unfortunately the figures show we are not even stemming the tide sufficiently—but I mention it because it is a campaign needing wholehearted support and the widest publicity.

The irony of the situation is that we have ample facilities to diagnose and successfully treat all venereal disease. There are skilled and understanding and dedicated health teams standing ready; and provision has been made for complete confidentiality being preserved. We provide a source of comprehensive, easily understandable, person-to-person information.

There is, indeed, a 24-hour recorded telephone information service available in Metro Toronto. I would suggest to my hon. colleagues they listen carefully to the number in case they need it.

Did the member for York-Forest Hill (Mr. Givens) wake up?

Mrs. M. Campbell (St. George): We're awake; we are just waiting for the minister to wade through this frivolity.

Hon. Mr. Miller: Oh, now.

Mrs. Campbell: I never sleep through anything the minister says.

Hon. Mr. Miller: If the member for—Ottawa East is it? Or Ottawa Centre?

Mr. A. J. Roy (Ottawa East): East.

Hon. Mr. Miller: Yes, Ottawa East. If he will listen, the number to call any time one needs it is 965-3333.

Mr. Roy: It is funny, the fellows over there have an obsession about that VD stuff. The previous minister (Mr. Potter) talked about the same thing last year. They have got problems.

Hon. Mr. Miller: Somebody said it is the gift that keeps on giving.

Mr. J. F. Foulds (Port Arthur): This frivolity is uncalled for.

Hon. Mr. Miller: I'm sorry, I'll return to my normal petulant posture.

Last year there was considerable public interest in community health projects, followed by a period of time in which they seem to have rather dropped out of the news. Quite recently, they have become again a matter of particular interest. I can, however, assure the House that my ministry's interest in all the possibilities of community health services has consistently been maintained. Twenty-three community health projects are at this time operational across the province and others are now in the developmental stage. I would restate the opinion that, while the existence of a community health service does not, in itself, provide a panacea to all the problems of health care, it does represent a progressive approach to many of them. The basic idea—and I'd remind you that

community health service is a concept capable of many interpretations without any rigidly fixed pattern—deserves, and is receiving, active attention.

We have what is termed a project development and implementation group established to handle high-priority projects as assigned. The group is responsible for the planning, development and implementation of a project up to the point where it becomes operational. As a matter of general policy, the project team deals with all initiatives which arise and develop spontaneously, whether professionally or community sponsored.

All projects start with what presently exists, that is to say, the approach is evolutionary. Several different models of community health services are being supported, depending on the characteristics of the community and/or the initiating group. The number of models will probably gradually decrease as unproductive features are identified. A strong emphasis on flexibility is maintained so that the province does not necessarily lock into one or more rigid models. Our approach will permit change where the climate is right. It encourages and supports progressive change which is initiated at the so-called grassroots. Many areas in the health care system are ready and eager for change. I, accordingly, consider Ontario will achieve more by an evolutionary than by a massive approach which might meet strong resistance in the existing systems.

I referred earlier to the comprehensive review of the province's health care system now being conducted. Obviously, the question of medical manpower, principally the family physician and specialist, is one of the central issues. We have to pay particular attention to ensuring adequate, but not surplus numbers, both overall and in respect of individual specialties, and we have to make sure that comprehensive health care of acceptable quality is accessible to every individual in the province.

The House will be aware that in recent years the one factor—the one wild card, I'd call it—that has made it extremely difficult to introduce an orderly system has been the extremely large proportion of new registrants who have taken their training outside Ontario. In 1973, for example, fewer than 45 per cent of new registrants graduated from Ontario medical schools. Many of the others were specialists in one discipline or another, but we have no way of knowing in advance what their specialty will prove to be. Accordingly, even though the medical schools in Ontario might be training new doctors in what appears to be a reasonable proportion of family physicians and specialists, the final mix could still be wholly disproportionate to our needs. This is a problem causing concern, of course, in other Canadian provinces and, to a large extent, it has federal implications in respect of immigration policy.

As I have just said, we want the quantity, mix and distribution of medical manpower to be adequate but not excessive for the province's needs. It is also our intention to expand the proportion of doctors entering the system from the province's own medical schools. That policy is now being implemented at the five health sciences centres, where a commitment has also been given that 50 per cent of the students will be trained to enter family practice. We still cannot be satisfied with the distribution of medical manpower in the province. This remains uneven, and ease of access to health practitioners still varies considerably from one area to another.

I'm pleased to report, though, that our programme for underserviced areas is making progress. Out of 150 areas officially designated as underserviced, only 41 are still without physicians. Three more doctors have now been approved and are awaiting location. A total of 50 physicians are now practising in the designated areas on a guaranteed contract basis, 120 more are practising on the grant system provided, and I'm pleased to say that a further 41 physicians, who originally started practice in the underserviced areas either on contract or grant, are still in practice but no longer require support.

A further 12 areas have been designated as being in need of nursing services and suitable applicants are being sought.

There are also areas underserviced by dentists, to whom the same programme applies, although the areas are not in all cases identical. Under the programme, out of a total of 99 positions to be filled only 36 positions are still open. Four more dentists have lately been approved so when they have been located only 32 positions will remain to be filled.

At this point I'd like to refer to the drug benefit plan introduced at the beginning of September. The 548,000 Ontario residents who became eligible for this benefit are in three categories: first, people aged 65 or over who receive any portion of the guaranteed income supplement to the old-age security pension; second, recipients of the Ontario Guaranteed Annual Income Supple-

ment, the GAINS plan; and third, recipients of the provincial family benefits allowance.

Before September, many needy people in these three categories who have greater than average need for drugs but much lower than average incomes were not getting prescriptions filled because of the expense. More than 1,200 drugs are listed in the formulary from which the drug benefit can be dispensed. All drugs meet the strict standard of the drug quality and therapeutics committee of Ontario. Prescriptions do not need to be rewritten every month. Most can be written for three months, some for six months.

In other words, a benefit intended to provide assistance to more than half a million people in need of it in an orderly and reasonably uncomplicated manner is actually working out pretty well.

I have given several examples earlier of actions taken to introduce economies and provide more effective cost control, all in the light of our acquired experience. Another instance occurs with laboratory services in the private sector. Budgetary control and our public accountability exist in the hospitals and public health lab facilities. Until recently, however, this did not apply to the private sector. Under a new system introduced last May called LMS, a uniform method of costing has now been introduced. LMS stands for the three identifiable components of clinical or laboratory services—namely labour, material and supervision. The establishment of this unit price in relation to amounts payable under the old 1971 schedule has effectively de-escalated rising costs and provides a firm basis on which all future negotiations can be conducted.

We have also now instituted, in co-opertion with the Ontario Medical Association, a new laboratory proficiency testing programme designed to maintain quality control of laboratory operating functions. The LMS system I mentioned will be one control mechanism in this programme.

There is one aspect of the estimates themselves on which I should comment in conclusion. Members will note that this year the estimates have been differently arranged. They now give a better presentation of expenditures for operating costs and of grants provided to health agencies. We are, in fact, gradually changing to a more rational, logical and understandable presentation of estimates.

I recognize that even the changes already effected may make a direct comparison difficult between this and the previous year's figures, since at first sight there may appear to be decreases which have not in fact taken place. I will, however, do my best to clarify any difficulties you experience and to provide detailed information on all specific costs.

Mr. Chairman: The hon. member for Ottawa East.

Mr. Roy: Thank you, Mr. Chairman. I always find it somewhat ironic, first of all, that when we are dealing with a budget of this size, $2.3 billion, we are dealing with it toward the end of the estimates and not at the beginning of the estimates.

I suppose that to some degree the limited time left—I understand we have some 15 hours to deal with estimates of this size—is our own fault in a sense in that more time probably is taken up on estimates involving much lesser amounts and the major budgets—Health, Education and so on—are left toward the end, when there is very little time left to give adequate scrutiny to these estimates.

There is, of course, planning on the government's part to proceed with estimates in such a fashion that there is very little time left to adequately debate these fantastic amounts of money that we as legislators will be voting here in this House.

The other aspect that I find somewhat ironic—and I suppose it's an example of the legislative process—is that the minister opened these estimates with a 38-page typewritten statement, and under the galleries I notice there are about 50 civil servants just hanging on every word he says.

Mr. P. G. Givens (York-Forest Hill): There's a million dollars' worth of staff over there. Why don't you send some of them home?

Mr. Roy: We in the official opposition, on the other hand—

Mr. Givens: We've only got a little research girl over here. What are you trying to do, intimidate us?

Mr. Roy: We have only one gal, a very competent gal, assisting us—

Hon. Mr. Miller: With a bit of luck, she will sit on this side next year.

Mr. Roy: Looking at your record and the record of your predecessors, I sometimes wonder who has done the more effective job.

Mr. Givens: How do you louse things up so much with all that help?

Mr. W. Ferrier (Cochrane South): How many typewritten pages have you got?

Mr. Roy: They are not even typewritten. They are my own notes.

Mr. Foulds: Can't you tell by the quality? They are extempore.

Mr. Roy: The frustrating part of it is that none of these words of wisdom will get across to the public because I gather our press gallery has been vacated for more important things.

Mr. Givens: They are doing an autopsy on "The Body Politic."

Mr. Roy: In any event, I wish the public could get some idea of how the process works, how it is weighted in favour of the government and how you can continue to make mistakes from year to year because the opposition does not have the tools, the manpower and so on to adequately scrutinize these estimates.

Mr. Minister, since your nomination as Health Minister, I think we have been exceedingly kind to you. You were parliamentary assistant to your predecessor, and I think you observed on your own, especially toward the end of his time as Minister of Health, that we could no longer tolerate his hollow promises, such as when he was talking about a constraints package. There were discrepancies between what he was saying and what he was doing. A previous minister (Mr. A. B. R. Lawrence), for whom I have had kind words from time to time, also had problems when he was discussing health costs back in 1971.

As I say, since you have been named minister, we in the official opposition have tried to co-operate with you. You will recall our co-operation—and we possibly straightened you out—on the question of the denturists, the Health Disciplines Act, the Ophthalmic Dispensers Act and so on. But I can tell you frankly and without hurting your feelings—again there seems to be something ironic about the fact that they always put nice guys, awfully likable individuals, in the Ministry of Health—that the honeymoon really is over. You've had nine months—and you know what can happen in nine months.

Hon. Mr. Miller: It is a gestation period.

Mr. Roy: I intend to get into that. The gestation period is over.

Mr. Foulds: That's a particularly Freudian word.

Mr. Roy: In any event, I can say to you that the honeymoon is over; it's time for action and not so much words.

I look at your statement—just glancing at it briefly here—and having read your comments in the newspaper in the last three or four months, in which you have in fact been talking about the questions of cost, I can ask: Where have we heard that before? You can recall that with the previous minister we used to say: "Look, if you continue at this rate, we are heading for disaster, we are heading for bankruptcy." If one is to read your speeches today, it is just as though you are reading the Hansard comments from the opposition. Bert Lawrence, when he was Minister of Health, used to say the same things.

So Mr. Chairman, we are in the position where the minister is presently going around the province making speeches about the high cost of health care but not proposing any really valid solution, because the cost is increasing faster than ever.

At the meeting of provincial health ministers last month, the minister said there is no public pressure to cut back on hospital costs because people don't see it on their bill. The role of government, Mr. Minister, is to lead. Just because there has been no public outcry—at least as yet—doesn't mean a problem doesn't exist.

Health costs at the present time are about $325—and I am quoting your figures. In fact you made a very excellent speech back on Tuesday, Oct. 1, 1974, to the Obstetric and Gynaecology Academy of Medicine in Toronto. I intend to quote from this speech in which you brought up the various problems.

As I said to you before, we have heard all this previously. We have heard it from Bert Lawrence, we have heard it from the previous minister, and God knows the opposition has talked about it at length; yet we still have to see concrete programmes. I suggest to you we will probably not see any before 1975. Because the word is out; the Premier (Mr. Davis) has said: "Look, don't rock the boat. There's an election coming up in 1975. Nothing contentious, nothing the public might dislike us for." In the meantime, by your own word, if we continue at this rate we are heading for bankruptcy.

If I could continue to quote you: "Health costs at the present time amount to something like $325 for every man, woman and child in this province." You yourself have said that in about 10 years this figure will triple to about $1,000 for every man, woman and child.

> Health services are using a larger proportion of our total provincial budget than ever before. Our total health bill this year should amount to about $2.5 billion, including supplementary estimates. It is

interesting to note that the health expenditure of this year is the same as the net expenditure of the whole provincial government in 1968. That's just in 1968.

If health costs continue to increase at the present rate, the province will be bankrupt by the year 2000.

Again, we have all heard this before. We have mentioned this before, and I have yet to see evidence of concrete programmes of action. In fact, on my comments about supplementary estimates; where are these supplementary estimates? Surely the original estimates are late enough that we should have some idea of how much more money you want to satisfy the demands of this ministry this year? We should have these now, to discuss in these estimates. How much is it going to be?

You know there is really a terrible record in relation to supplementary estimates in this province. You will recall that the previous minister came in with an extra $50 million a couple of years ago. There was the other problem when a decision was made by certain individuals within the ministry about not collecting certain premiums when you use OHIP or OMSIP, or whatever it was called at that time, when we lost $55 million.

I would like to know, and I would really like the minister's answer as to what the supplementary estimates are going to be to satisfy the heavy appetite of his budget; to satisfy, for instance, the demands of the hospital workers, nurses and so on.

You estimated that costs have been increasing at the rate of something like 16 per cent per year. If this trend continues our health bill in 1984, that's only 10 years, will be about $11 billion; which is about what all of Canada now spends on health care. The Health Minister has been playing Cassandra all around Ontario over the summer warning of impending gloom and doom as a result of these high costs. But like his two predecessors has done nothing to improve the situation.

I might be repeating myself, but we have heard it all. We want some action. I think it is time for some action. Dr. Potter made an attempt to implement a constraint package, which was vetoed by the government; instead he introduced supplementary estimates, something in the nature of about $100 million. When you consider that the constraint package was not accepted—This problem was raised, Mr. Chairman, in the House some two years ago—in fact, we had to come in with supplementary estimates of $50 million.

You haven't even attempted constraints, I suggest to you. It is not good enough to go around and tell the people to tighten their belts. You must come up with innovative ideas to stop the frightening and dramatic increase in health costs.

I can't emphasize this enough, Mr. Chairman, because this is not a new problem. Minister after minister has been talking about it and we in the opposition have been talking about it. If you would only try to get our co-operation, we are prepared to make some suggestions; I will be making some suggestions here today, trying to be positive and objective in the approach. I quite appreciate that it is not easy, but certainly some attempt should be made.

What I am extremely concerned about, Mr. Chairman, is the fact that nothing will be done prior to 1975. We only have to look at the politicking that is going on now. During the question period, I raised this little thing about the body politic, about the Tories sending things to the librarians of the schools. We can see the whole thing is moving right now; there are dinners organized for individuals to raise money.

Surely you are going to have to make some hard decisions. The doctors, for instance, in this province may not be pleased, and obviously a lot of communities will not be pleased when you start talking about cutting the number of beds in their hospitals. But as the minister himself has said, these are the only two areas over which he has control. I suggest to you, Mr. Chairman, that the minister will be torpedoed by the Premier and that nothing in fact will be done prior to the election in 1975.

The minister may well say: "Well, you know, I need some advice; I've got to study reports." Let's talk about some of the reports they have in the health field. You couldn't imagine that you lack advice on many of these matters as to how you should restructure the delivery of health services in this province; there has been a prolifieration of health reports in the last five years.

For instance, Mr. Chairman, in 1969 we had the Ontario Council on Health reports and recommendations. In 1970 our libraries were filled by all volumes put out by the Healing Arts Committee; in 1971 the Council on Health published four monographs on health subjects. There were: the Castonguay report on health and social development in Quebec; the white paper on health policy in Manitoba; the federal-provincial Hasting report on community health centres in Canada;

the Pickering report on the medical profession in Ontario; and finally the infamous—or the famous—Mustard report which came out about last year.

Frankly, it is obvious what you are doing. An issue comes up, the public starts crying, you set up a committee, you get people to print a report, and the report comes out. Every time you organize a committee or organize a system whereby you are going to get a further report, you are getting about two years' breathing time. By the time the committee is set up to look into the question and by the time they bring out their report it is about a year or a year and a half, and then you sit on the report for about another year or year and a half. So it is just breathing time and you are hiding behind reports.

Now I have a bit of advice for you. Speeches and reports really don't cut health costs; if anything, I suppose with the use you are making of your reports it is probably increasing because you have to pay these people extra. Surely in all these reports the minister can find some guidelines for the future. If he is not happy with the reports, we in the opposition would be delighted, Mr. Chairman, to give some direction. A little later on I will be offering the minister some alternative methods for running the provincial Health Ministry which we expect, Mr. Chairman, will improve the delivery of health services for all the people of Ontario.

I come back to the major points. He has been at this nine months, since Feb. 26. He is now in his ninth month, Mr. Chairman; his ideas have been gestating for a long time, and it is time for them to be born. I hope we can enjoy the fruits of his labour, but that seems doubtful, really. There is no evidence of new life in this minister. I really think his ideas have been aborted by the blue machine—I really think that is what happened.

We in the Liberal Party, Mr. Chairman, are very pleased to co-operate with the minister and I think by his own admission we have done so over a period of months. Sooner or later he listens to our suggestions; we thought we saw a ray of hope, especially when he started dealing with the question of the denturists.

I can recall, Mr. Chairman, last year when the former minister was on the estimates we were on the second phase. You recall the original legislation said: "Yes, you can practise directly with the public." That sat around until first or second reading, and then it was changed again and now they couldn't do it again; now that legislation was passed, became law, and then this minister came along and put it the other way. So we had gyrations or gymnastics which were really fantastic, but at least we agreed with the minister's approach in relation to the denturists. He eventually saw the light on this.

We brought out again the question of the board of ophthalmic dispensers and the control by one company called Imperial Optical. Now it is changed. You will recall the time that we spent on the health disciplines committee where we suggested many amendments, which you gladly embraced and on which we co-operated throughout. Some of the amendments were yours and some those of my colleagues on the left. I think you will admit that throughout there was this spirit of co-operation and dedication on the part of all members who were on the health disciplines committee. Now hopefully you will keep your ears open today and we can give you some advice on how to improve the system.

You have had a number of failures recently. I was just reading about it yesterday and we were talking about the question of ceilings. You know we told you quite some time ago that the ceilings were not working and how to some people within the health system the ceilings were bordering on negligence and criminality. You had the hospital workers who could not make a living wage and yet could not strike, but on the other hand were forced down by the ceilings. These people had to threaten to break the law before there was movement. Now it is obvious that the ceilings did not work and you are taking them off again. Inconsistencies in approach have been a pattern in that ministry.

The Hospital Appeal Board is another dandy. This was set up some two years ago, and it is apparent that it is not working. Three doctors who appealed to the board have been turned down and told that the hospital has just cause for not granting them hospital privileges. However, you recall the question of Martin Schiller. In his case, it was unique in that the board said it should grant him admitting privileges. They then appealed the board's decision and the court has overturned the board's decision. No other doctors are appealing to the Hospital Appeal Board because it has not corrected any injustices and is a complete failure, and, of course, financially you have to be pretty solid to take on hospital boards.

I frankly ask the minister this question: How is it that doctors are admitted to practice in this province and then there is sort of

a monopoly in relation to the hospital? They cannot be admitted to a hospital. Can you just imagine this in any other profession. Take the lawyers. Somebody is entitled to practise in the Province of Ontario, and then he is told in some particular area that he cannot go and plead in the courts. This would be absolutely preposterous. It would be completely unacceptable. Yet we have a system of monopolies in hospitals, much of which is to the detriment of the public. I suggest that that question be seriously looked at. I know you are going to get opposition, but if you are going to be a success or if you are going to do something worthwhile as Minister of Health, you are going to have to knock a few heads and you are going to have to give leadership.

On the question of hospitals, and you have mentioned this before, more than 50 per cent of the Health budget pays for the hospitals. Active treatment is the most expensive type of hospital treatment available. As an example, it costs something like $116 to keep a patient in an active treatment bed in Toronto General Hospital for one day. When the former minister announced the nursing-home programme two years ago, we had hoped that this would cut down expensive hospital treatment. By the minister's own admission, there is no evidence to show that hospital bed occupancy has dropped measurably as a result of the alternative care programme. In fact, in your speech that I mentioned a while ago, you said:

> Last year some 3,500 patients were admitted into home-care programmes, for instance, at an average cost of something like $9.50 a day for a total cost of $7.5 million. Our extended-care programme now runs well over something like $100 million a year, but it looks as if almost every dollar of the millions of dollars these alternative care programmes are costing the province each month must be regarded as an add-on dollar. I am quoting you here. It is hard to find any clear evidence that they are doing anything to stem the increasing use of hospital beds each year and more people per thousand population are being admitted.

That is really some admission to make. I am just looking at your speech. Just think that we are spending this amount of money on a programme that the former minister talked about glowingly. It is frightening to think we are embarking on what we consider to be alternative programmes, when there is not one iota of evidence that this reduces the burden and cost on our present hospital system.

Now, since it costs something like $17 per diem for a bed in the nursing home, we in this party had hoped that this would save a considerable sum of money—but it has not. In the past, very expensive active treatment beds were built in excessive numbers and, correspondingly, too few inexpensive beds for chronic care.

You have obviously been getting flak from Ottawa lately, and I just want to read some of the things. If there is one per cent of truth in what they say, it is a frightening process.

There is a gentleman down there called Al Loney, who is chairman of the regional hospital planning council continuing care committee. Here is his statement:

> A list of 380 elderly persons waiting for hospital care at the beginning of the summer was cut to 320 in August because some of these people had died, Loney said in an interview here.

I don't suppose all of these people died as a result of not receiving care, but it is a frightening prospect to think that the only way you can effectively reduce the chronic-care situation in Ottawa is to let people die.

His argument is, in fact, supported by the Ottawa General Hospital, the Civic Hospital, and the Riverdale Hospital. I would like to read statements made by some of these people. One report says:

> Ottawa hospitals are overcrowded because they must give beds to older, chronic-care patients who have nowhere else to go.
>
> The Civic Hospital has about 80 such patients, trustees were told Thursday night at their monthly meeting. Some have been waiting up to eight months to get in one of the hospital's two chronic-care units.
>
> The same situation exists at other area hospitals, who say older patients must wait six months to get into the Perley or Saint Vincent chronic-care hospitals. About 150 patients are on the waiting list for Perley, which recently sought permission to build a 100-bed addition. Local approval from the Ottawa regional hospital planning council was given, but no provincial go-ahead was ever received.
>
> Clifford Moore, chairman of the Civic Hospital board of trustees, said no one at Thursday's meeting could understand how the province had established Ottawa's needs.

So you have an ironic situation, Mr. Chairman, that in spite of the heavy burden, the heavy costs, people are still complaining—as

in the Ottawa area—about the lack of care beds. Some other people across this province are complaining that they can't get hold of their doctors.

We really have confusion and panic—well, I suppose not panic before 1975, because things will be cooled down. But it really is a great cause for concern. In general, there is a surplus of active treatment beds in the province. Many people would probably wonder at this comment, as we have heard all sorts of stories about people occupying beds in hospital corridors because of a lack of facilities. My colleague, the member for Grey-Bruce (Mr. Sargent), has heard these complaints and has raised this question in the House.

The real problem is the distribution of hospital beds around the province. As an example, there are more beds per 1,000 population in downtown Toronto and Hamilton than in any other centres of the province. As a result, the standard of health care across the province varies from place to place. However, there is a shortage of chronic and rehabilitation beds all over Ontario.

One simple solution would be to reclassify some active treatment beds to chronic beds. This would not only save money, but would also relieve the shortage of this type of accommodation. It is imperative that whenever possible we shift the focus of care away from the acute care and the very expensive facilities.

I would like to get into another area, Mr. Chairman, and that is the question of community health centres. Now, one of the new concepts in health care is the community health centre. The Hastings report, the Pickering report and the Mustard report all agreed that community health centres, or group clinical practices, would serve the people better and would save money.

We in the Liberal Party would support such inter-disciplinary practice arrangements. By offering incentives to practitioners, you could encourage the introduction of co-practitioners, nurses, social workers, dietitians and others to give comprehensive primary care. Mustard in his report goes on at length on this.

The advantages to patients lie in the additional services which could be provided within the same context avoiding the current disruption which often occurs. Practitioners in such a setting have much to learn from one another. You could provide other incentives to people willing to set up group practices in underserviced and remote areas.

In order to encourage practitioners to get away from the solo practice, incentives should be provided to physicians who include nurse-practitioners in their practice. I would like to know why the minister has been so slow in doing anything positive about the community health centre. Is the minister afraid of innovative new approaches to the practice of medicine?

The question I asked the minister, through you, Mr. Chairman, is this: Why all the inconsistencies in approach to the health care field? You will recall when Mr. Lawrence was Minister of Health, he urged the use of health centres, and in fact in the Ottawa area he gave his tacit approval to the forming of certain of these centres as being a solution and an improvement in the health delivery system in this province.

Mr. Ferrier: What happened to that one?

Mr. Roy: Yes. Then he is replaced and Potter takes over and he torpedoes all these health things and says "That is not the solution. This doesn't work," and really health centres were formed against his will and against his encouragement and I suppose without receiving any funds from him.

Now, as I understand it, you are starting to look at that system as being a worthwhile alternative, and as something that seems reasonable in light of the comments made by Mustard in his report. In fact, as I read your comments, you were suggesting that certain hospitals should become, in fact, district health centres and that certain hospitals should continue as being exactly that, hospitals where you have patients who stay in for a while.

How do you expect to save money and how do you expect to get public confidence when you have inconsistency between ministers? God knows we have had ministers changing often enough in the Health Ministry, but how do you expect to convince the public that you are serious if you keep having inconsistent policies from one minister to the next? In fact, how do you expect to convince the public if you keep repeating the same thing—talk about costs? Potter talked about costs, Lawrence talked about costs, and you are not doing anything.

The question of concern to us as well, Mr. Chairman, is the question of accessibility to the health services. In spite of the magnitude of the expenditures on health services, and in spite of the oversupply in many categories of health professionals throughout the province, particularly certain specialists, one of the most common complaints one hears is

that people can't get medical care when in fact they need it, at unscheduled or irregular hours.

The Mustard report recognized this problem and recommended that primary care be available 24 hours a day, seven days a week. I would like to know from the minister if he is planning to deal with the problem of this inaccessibility to the services? You have had the Mustard report for very nearly as long as your tenure as minister, and the six months that you were talking about at the time it was presented is long gone.

There seems to be an oversupply of specialists, and again I can quote you from your speech on that particular day. Of the 14,000 physicians in the province, about 55 per cent are specialists. In Toronto, specialists are often filling the role of primary-care practitioners. In other words, people very often go to a specialist first rather than being referred to him or her by a general practitioner. This also leads to more expensive care, and that's obvious. What we need are more primary-care practitioners and fewer specialists. I think you mentioned that in that speech on that occasion.

For example, there are far too many ophthalmologists in the province to handle the amount of specialized eye treatment and surgery that is required. As a result, most of their time is spent doing refractions which could easily be done by optometrists, who are trained specifically for that purpose.

Of course, another situation in Ontario which warrants some concern, and which you mention in your statement, is the number of foreign-trained doctors coming to practise here. Government statistics show that of the something like 895 physicians added to the register in Ontario last year 402 trained in Ontario, 127 in other provinces and 366 in foreign countries. The ministry itself stated that 25 per cent of first-year medical students in Toronto are of Chinese origin, mostly from Hong Kong. By allowing so many foreign doctors to set up practice in Ontario, and most often in Toronto, we are really discriminating against our own medical students who may be qualified to go to medical school but simply cannot get in because of the limited number of spaces available in the five Ontario medical schools.

Mr. Chairman, I would like to just deal briefly with that point, because my colleague, the member for York-Forest Hill, raised the issue with the Minister of Colleges and Universities yesterday when he asked about the percentages of foreign students in these schools, in the medical schools.

Really, that is not the problem. The problem is that you only have so many places available for Canadian students in our universities. One of the reasons you have so few places available for our students in the university is because we are filling the gap, we are adding to the number of doctors or physicians in this province by importing rather than graduating them ourselves.

Surely the time is now passed to just talk about it; it is time to do something about this issue.

You know you are not really doing anybody any good when you accept and when we accept foreign doctors at the rate we do in this province. Not only are we taking a place away from our own students or from the children of parents who certainly have an ambition for them to become doctors but in fact we are hurting the country from which our import doctors came.

You see, these doctors are coming here to get some specialty or coming here to get some experience, and they are in fact staying here and staying away from areas where they are needed in their own country. These people often are crying for doctors in their own country, are spending money for their education; and the Province of Ontario benefits from this to the detriment of our own students.

I appeal seriously to the minister, Mr. Chairman, that this problem should be looked at now. This is a ridiculous situation, where you have 8,500 applications for medical school and only about 500 places.

I think the time has come to really do it in a humane fashion. I think there is a way this province can do it in a humane fashion. But you know, we are over-supplied with doctors, because the distribution of the doctors is not adequate, at the same time as our students cannot become doctors. So nobody really benefits; and we are in fact taking doctors away from areas of the world where they are more needed than they are in this province.

Now I think, Mr. Chairman, that the minister should look at this problem and deal with it in the near future. I know you mentioned in your comments about having set guidelines for universities, but surely the issue is not so much what percentage of these students is in our universities; it is why we have so few places in our universities?

Because of our waste, I suggest Mr. Chairman, in the area of health, and because serious decisions have not been made, it gets to be exceedingly difficult for the ministry

to embark on new and worthwhile programmes in this province, except around election time. I'm sure we'll see, come 1975, some great programmes. For instance, we are talking about the question of dental care. The Ontario Dental Association has recommended that the provincial government set up a dental care programme starting with children aged four and under.

Mr. Ferrier: That was about five years ago.

Mr. Roy: Pardon me?

Mr. Ferrier: That was five years ago.

Mr. Roy: Yes, but they suggested it again recently.

Hon. Mr. Miller: Are you still on page 1?

Mr. Roy: Still on page 1? It's spontaneous, I've got it right here in my head. I don't have to read from a statement, it just pours out.

Hon. Mr. Miller: If nothing else I want to say your secretary types well.

Mr. Roy: In any event, Mr. Chairman, the plan would be enlarged to include older children, and eventually people aged 18 and under would have full dental coverage.

The Minister of Health indicated that the government was seriously considering a dental plan for children but at the provincial health ministers' meeting last month he indicated it is not a high priority item.

We in this party believe that coverage for all dental care should be provided for children age six and under. Furthermore, the same type of coverage should be available for all OHIP insured persons aged 65 and over.

It seems incredible, Mr. Chairman, that the richest province in Canada doesn't have this type of coverage when other provinces do. Newfoundland covers children aged 11 and under. Nova Scotia covers children aged seven and under. New Brunswick covers children aged seven and under. Prince Edward Island covers ages four to eight. Quebec covers children aged eight and under. Saskatchewan covers children aged six and under. Alberta has a dental plan for people aged 65 and over.

I would like to know from the government when it is planning to announce this programme or is it waiting for 1975? I just see it coming, again—

Mr. R. F. Ruston (Essex-Kent): Oh, it will be announced.

Mr. Ferrier: They are just dragging their feet.

Mr. Roy: —come the election, in 1975, that's going to be a plum, one of the plums.

Mr. Ruston: They are going to make a big announcement.

Mr. F. Young (Yorkview): It will do for two more elections.

Mr. Roy: Mr. Chairman, the low-priority item that I read in the newspaper subsequent to the—

Interjection by an hon. member.

Mr. Roy: Back on Sept. 26 at the federal-provincial ministers' conference the minister is quoted:

> Mr. Miller said it would cost Ontario $20 million a year to match Saskatchewan's coverage of children up to age six, and about half a billion dollars annually to make dental care universal.
>
> His department is carefully examining problems involved in setting up a programme, but it is not a priority action.

That's a new term, high-priority-action item.

Are we supposed to be leading as far as economy and services in this province are concerned, or are we following? People will ask. I recall campaigning in Cornwall where they said, "We are supposed to be the richest province. How come in Quebec they don't even have health premiums? We are paying pretty dear health premiums here." I quite appreciate that health premiums are taking a lower portion of this total health budget, but isn't it ironic that we like to take pride in this? You hear the Treasurer (Mr. White) stand up and talk about our triple A rating. I am surprised he is not walking around with three stars. He talks about this, and yet in certain areas are we not backward?

He talked about Newfoundland's unemployment, the other day. Look at their programmes. I say to you, we know what is coming and this is the part we cannot accept. You lose us as far as co-operation is concerned when there are programmes needed in this province, and you are waiting the word, probably from Bill Davis. It reminds me of the memo read in the House by the leader of the NDP.

Mr. Chairman: Order please, order please. I wonder if I could remind the member that members of this House may be referred to by their riding, not by their name.

Mr. Roy: There is no way I can recall all the ridings, Mr. Chairman. What did I say? Who was I talking about?

Mr. Ferrier: Bill Davis.

Mr. Roy: Yes, I was talking about Mr. Davis, the Premier.

Mr. Ruston: He won't be around after the next election so it doesn't matter.

Mr. Roy: Can I refer to the Premier? In no way do I want to be derogatory toward your leader and the Premier, Mr. Chairman.

Mr. Ruston: Just call him the Premier.

Mr. Roy: We will call him the Premier. In any event, the Premier probably has said, "Look, we have got to get full impact." It reminds me of the memo read by the leader of the NDP yesterday in the House about impact. That's what is important for these programmes. You have to show the people we are doing something.

Mr. Young: Highly visible.

Mr. Roy: Highly visible, and I tell you the health programme and the dental-care programme are going to become highly visible, Frank—I am sorry, Mr. Minister. They are going to become highly visible next year. Just wait and see. Even you, Mr. Chairman, might benefit from such a programme.

Another thing that you are looking at is the question of district health councils. I would like to know, from the minister, how the district health councils are working in what I consider to be two experimental areas, namely Thunder Bay and Ottawa. Many people are concerned that district health councils will eventually lead to extinction of local hospital boards. Decentralization of power in the health council instead of increasing autonomy, would just be another step in the erosion in local control over local institutions.

We believe the control should be left in the hands of the communities. District health councils are going to be just another form of centralization. We think you should rethink the position. Surely, what you should be doing is awaiting the results of the experimental programmes in these two areas before embarking on a wholesale centralization of health services such as we have done with regional government. You should at least wait to see how these things work out.

Now, Mr. Chairman, to the minister, another great concern, I would have thought, of the minister, being a guy or an individual who is with it, would have been the role of women in his department. If there is any role for women in your department it is obviously not very visible. I notice the minister shaking his head, but I am not talking about that role. I am talking about some active role with some initiative, some input within the department.

For instance, I looked under your galleries a while ago I didn't see any women, I think I see one now, and you see some up there. Are they within your department?

His department, in my opinion Mr. Chairman, has not really led the way in giving women equal opportunity or equal access to jobs of importance in a decision-making process.

Looking at your department, it would appear there are about 8,698 female employees in the ministry and some 5,539 male employees, which is about an 8 : 5 ratio. If you are a betting man, that's an 8 : 5 ratio. It has been brought to our attention that the Ministry of Health is one of the worst as far as promotion of women at the management level is concerned. We made an inquiry of the ministry as to how many women hold senior positions but no analysis apparently has been done. Other ministries in the government have some statistical analysis to determine what type of jobs women hold, and in this respect the Ministry of Health is lagging behind.

For instance, the minister's colleague—on a personal basis I have more love for you, Mr. Minister, than I have for him—the Minister of Treasury, Economics and Intergovernmental Affairs—

Mr. H. Worton (Wellington South): He is a great lady.

Mr. Roy:—has done much to promote the cause of women as compared to your ministry.

For example, apparently there is a basic management course for people employed in support work such as stenographers and clerks, most of whom are females. This course will prepare women for higher responsibility in his ministry. The management training programme will be selecting a number of people from the general support staff, which means that women will receive management training in far greater numbers than before.

Ministry managers working in the Civil Service Commission will be removing obstacles to give both sexes a better chance to meet job requirements. For example, full recognition will be given to "equivalent ex-

perience" as an alternative to university degrees.

Many more women will receive more serious consideration as candidates for courses conducted at colleges, universities, and the Civil Service Commission staff development centre near Barrie.

One only has to look at the government telephone book to see that most of the directors of branches in the minister's department are men. In the minister's office only two women are listed and apparently both are secretaries.

I would like the minister to supply us with certain information as to how many women hold senior positions in his ministry, and I would like to know, Mr. Chairman, to the minister, why the minister has not yet appointed a woman co-ordinator of training and promotion programmes for women. This is ironic; since most of the people who utilize services are, in fact, women, I find it shocking, Mr. Chairman, that so few women have real say in the formulation of policies. And in spite of the fact, Mr. Chairman, that the minister may well be a male chauvinist—what do they call them? I won't say the word.

Mr. Ruston: Cochon.

Mr. Roy: Cochon, yes. We're the only two bilingual fellows in the House. He'll understand me, Frank. In any event, even though you were a male chauvinist and you appreciated the superiority of the male, they couldn't do a worse job than you fellows have been doing the last four years. They really couldn't. So what's the risk?

The minister started to appoint some women to boards but in a sort of token fashion. For example, out of seven lay members on the Health Disciplines Board I understand one is a woman. And there is one woman on the Board of Ophthalmic Dispensers.

Mr. Chairman, to the minister, you've got to stop thinking of women in terms of being barefoot, pregnant, and in the kitchen. It's time that he shaped up. I hate to give him that sort of advice and say, "Talk to John White," but really he should.

Part of the minister's comments in his speech of Tuesday, Oct. 1, 1974, he talked about the question of, among other things, cost, hospitals, specialists and so forth, but he talked about the question of—I quote him here on page 6, Mr. Chairman, of his speech:

> But I was discussing how we are to work together to adjust our priorities to change the public needs. One area I think must be universally agreed is the need for more attention to preventative medicine. With so large a proportion of the sickness and premature mortality we are encountering today being caused by so-called diseases of choice it must be apparent to all of us that some major reorientation of priorities is necessary.
>
> [He states:] I agree that the fact that a large proportion of doctors have, in recent years, become non-smokers is, in itself, a positive contribution toward health promotion for the rest of the province, and I believe that most doctors today give sound advice on exercise, moderation and diet to their patients in a general sense, unless the need for dramatic change in lifestyle is essential for a patient's survival. But it goes beyond that. Can it, in fact, go much beyond that?

The minister posed the question. I suggest to him that it can, and I intend to make some proposals to him and give him some concrete examples.

For instance, we as a party propose to the minister that people in the past have tended to view health as the absence of illness, but in reality the definition of good health is much broader than that. An important factor in a person's well-being is his or her level of physical fitness. Canadians are among the most unfit people in the world, and you know we've heard that before—the 60-year-old Swede outrunning the 40-year-old Minister of Health. Federal government surveys have shown that 80 per cent of Canadians are completely inactive and 50 per cent of Canadians are overweight. I intend to give the minister some striking examples of that, Mr. Chairman.

As federal Health Minister Marc Lalonde stated:

> The end result of all this shows an overweight and inactive population. Our labour-saving devices, our automobiles, our elevators, and the use of television as a substitute for physical recreation, are all contributing factors.
>
> Children, in particular, show disturbing signs of being unfit. A researcher of children's fitness said in Canada that a child's fitness starts to decrease the first moment he or she enters school and sits down at his desk.

This should be the time we begin to teach individuals, Mr. Chairman, how to take care of their bodies. We must not allow our children to get caught in the trap of sedentary

life. We must not allow the children to fall into a pattern to which so many Canadian adults fall victim. Physical education in primary schools is not adequate to meet the needs of the children.

Qualified instructors are sadly lacking in elementary schools, and it seems that most of the instructors qualified to teach physical education are engaged in secondary schools. There must be a shift of emphasis, Mr. Chairman, in the upgrading of physical education in the earlier grades since this is the time when children's bodies are growing and developing. I quote again the federal Minister of Health, for who I am sure you have great respect. He stated:

> Large numbers of elementary schools are still without adequate physical education instructors. And where gym classes are being conducted, they are so unimaginative and sterile that the children are turned off for the rest of their lives, rather than emerging from the school system as healthy and activity-conscious citizens. Another problem is the content of the activities and the lack of carry-over effect.

I put it to the minister: Has any attempt been made by your ministry to encourage for instance, the Ministry of Education, and the Ministry of Colleges and Universities? We seem to centre on what we used to call the "jock strap crew"—the football players and the basketball players. The large majority of the individuals were really not encouraged to participate. I suggest that emphasis should be placed on this by your ministry and some pressure put on the Ministry of Education. You, yourself, say it is an important factor in preventative medicine.

I'd like the minister to answer this question: Out of the total health budget, have you ever made surveys to determine what percentage of the population uses the highest percentage of these services? I was told there were figures showing that something like less than 25 per cent of the population use up something like 80 per cent of the money in the health field. Possibly the minister has these figures, and I would appreciate receiving them.

Another problem is the content of the activity and the lack of carry-over effect. It has been shown, Mr. Chairman, that the sports played in schools are not played after age 14.

It would be much better to replace sports like basketball with tennis, golf, swimming and calisthenics, which could be kept up throughout the school year, if not throughout life. I don't know if that makes sense.

Another criticism of gym programmes is the high percentage of time that is spent on the most athletic students; and I have mentioned this before. Programmes are often geared to these students who participate in most of the competitive athletic sports. Unfortunately, they are not the ones who so desperately need the instructor's time. The sedentary student will probably never compete in athletic activities that need help.

In order to foster a change of attitude, if we were the government of Ontario, we would launch a massive educational campaign to convince educational administrators of the importance of physical fitness and its contribution to health. This would be coupled with adequate government support for the continuing education of teachers responsible for physical education and health programmes, particularly in elementary schools.

In addition, Mr. Chairman, support would be made available to enrich the curriculum with physical fitness and balanced sports. Boards of education would be encouraged to increase their fitness facilities and support and to make them available to the community whenever possible.

Further, Mr. Chairman, we would set an example, as a government and as a party—especially as a government—on the need for physical fitness and the need for emphasis on the right thing. For instance, I suppose you, as Minister of Health, look after your health. I recall reading about some difficulties you had about a serious operation and your fight to get through that problem. But as Minister of Health I would think that you would be talking to your colleagues, for instance, the Minister of Government Services (Mr. Snow).

I suppose the first thing you should say to him is: "Look at the pitiful shape that you're in, Jack Snow." That's probably the first thing you should say to him. But you should really say to him: "We, as a government, and maybe the Premier as the leader of this province, should be setting an example. We collectively, as people in this House, should be setting an example as well."

Look at the setup that we have in this place, Mr. Chairman, through you to the minister. We have five or six different bars all over in little corners of the place. There's no exercise room.

Hon. Mr. Miller: Come with me to the Y then.

Mr. Roy: Meet at the Y? I suggest to you we should have fewer bars; and why

not have an exercise room on the premises for all the members?

You should look at your caucus. Not only your caucus, you should look at your Premier for instance, or the members of the cabinet. Mr. Chairman, have you ever seen such a group of individuals so collectively overweight and out of shape?

Starting with the Premier, I have here a photograph of the Premier that was taken last week. There's a photograph, Mr. Chairman, which really promotes physical fitness.

Mr. Ferrier: Compared with when he was the Minister of Education though, he has made some improvement.

Mr. Roy: For instance, he's got to get his weight down. He looks pitifully out of shape—and with that big cigar—that's the way to promote physical fitness. I thought I would look collectively at some of the members of the caucus and the cabinet for some people who are in shape. They gave me a picture of the hon. member for Lambton (Mr. Henderson). Mr. Chairman, is that a man who exudes physical shape and activity?

Mr. R. D. Kennedy (Peel South): He has lost about 20 pounds.

Mr. Roy: Maybe he has.

Mr. R. G. Hodgson (Victoria-Haliburton): You couldn't stay with him five minutes on the farm.

Mr. Roy: I look collectively at the front row here, Mr. Chairman—

Hon. Mr. Miller: His fat is not in his head.

Mr. Chairman: Order, order please.

Mr. Roy: Thank you, Mr. Chairman.

Mr. J. H. Jessiman (Fort William): Who was that girl you were with last night? Is that your physical fitness programme?

Mr. Roy: The girl I was with last night? You see, he was so loaded he could not tell the difference between a girl and my friend the member for Huron (Mr. Riddell). We should really set up an appointment for the Minister of Health—

Mr. Chairman: I wonder if I could point out to the hon. member, I really don't think it's in the rules of this House that personalities should be mentioned in this manner. I would ask the hon. member if he would kindly keep on with his presentation on the Health estimates that are before us.

Mr. Roy: He was attempting to be provocative, Mr. Chairman, and of course we will not accept that.

But the point I'm trying to make to the minister, Mr. Chairman, is simply this. You're asking the medical profession to set an example, to give guidelines, but I'm saying it's not enough. It's time you talked to the leader of this province and the leaders of this country. I think there is a role for individuals to play right here, and if you're really serious about preventive medicine, you will start clearing up your own house.

Mr. Chairman, these are my comments. We will have further comments during these estimates. I hope that in some way it will be a constructive approach to what we feel is a very serious problem. Health costs are excessive and yet people are complaining they're not receiving adequate care and treatment facilities. Thank you, Mr. Chairman.

Mr. Chairman: The hon. member for Parkdale.

Mr. J. Dukszta (Parkdale): Mr. Chairman, I am deeply disappointed in the policy statement from the minister. I know he has great personal credibility and he has been at the job for nine months, but I am most deeply disappointed that he is now closing all possible avenues to major and radical restructuring of the health system of Ontario. Not only has he done this in his statement today, but he has also done this repeatedly, with which I will deal in some detail, in his statements and speeches he has been making in the last couple of months.

Just to make a few remarks on the speech that he made today, I am not going to deal with it in any detail but I would like to point out that when you talk of the preventative services, for example in mental retardation, you still talk—which contradicts so much your concern—about excessive usage of beds and facilities you talk almost entirely in terms of beds and facilities. You don't talk, for example, of genetic counselling, or the more obvious social approaches towards the prevention in mental retardation.

When you talk of leaflets—leaflets in health promotion and health prevention—that's advertising, you are not talking of education. Have you ever done a cost analysis on what that leaflet actually amounts to? It's a useless way of doing it.

One has to move toward a more intensive educational effort, both with the public, and above all probably within the core of health services.

You have another point to which I personally object very strongly. It is your tendacious connection between the rising costs of the whole health system and the fact that you have given extra money to the hospital workers. I think you should produce factually, what percentage increase this is going to mean, how much more of the whole cost is going to be to give money to the hospital workers in comparison with the amount of work they do; and then compare it.

I'll have some figures for you when we deal with this; comparison of the rate of increase for the physicians as compared with additions fo occupational categories among hospital workers.

I think that is the only meaningful way of looking at it, not just simply to say, rather tendaciously our costs are going up because the hospital workers are demanding more money. I will give you credit for saying that you thought that they were justified at the moment; but the thought remains that you are singling out one particular group and not the other.

Interestingly, you have confessed to the failure of the previous administration by saying they sacrificed the costs for the extras. Well that's probably gross praise, and grossly undue the previous minister, Dr. Potter. But your preoccupation with costs is beginning to sound rather ominous for many programmes.

One situation which you cite as an example of something you are proud of has, incidentally, hardly anything to do with the ministry. May I suggest to you that that particular rationalization which occurred in Kingston may be more quickly related and more scientifically related to the declining birth rate and the needs of the medical profession in Kingston to rationalize their service and protect their livelihood than anything else.

Well, you have a major statement that you are moving decisively into the preventive aspect of the total health care; it may be true. And you have also mentioned that in the new system of accounting the money is now spread over all the estimates and it may be difficult to follow. I have attempted to look very closely at how much money is going for preventive aspects and I see no difference in the last three years.

I will be delighted to discuss this with you when it comes again to this particular aspect, which is, I think the second major vote. You talk, but you have not delivered in terms of money. We know it costs; it cannot be avoided.

One of the last things you did say in the speech, prior to closing, is that you have asurance from the medical schools that 50 per cent of their graduates will go into general practice. That surely is naive. Nobody can give you this type of assurance without a much deeper commitment, much more structural change. Even if they do give you this type of commitment, it is meaningless without doing something to make sure they don't go into specialization.

You can't control the medical market to any great degree. So you are taking a chance on it being on your side. It sounded so good, but really when you examine it, it's really looking at a random selection that actually has nothing to do with you.

I had a very strong sense of the déjà-vu phenomenon when I was listening to you. Your remarks were very similar to those the previous minister made. I saw very little change. We have exchanged ministers, but the content and the basic thrust of all your arguments have remained the same, maybe because the speech writers have remained the same.

I may be a bit pretentious even to say it, but the minister should surely be an innovator and an instigator, not a mediator, a role he seems to be playing right now. There are certain values for the minister as a mediator, but his role is bigger than this. He is a policymaker. He is the person who is supposed to start those things. He cannot wait for the whole body of OMA; he cannot wait for the health sciences; he can't even wait for us at this time. It is his responsibility, and no one else's really.

At the crisis level of today, it's the government's responsibility—but not his department's—to collect the money from people. How it is disbursed is his responsibility.

He cannot mediate on that, he makes major decisions. And he has now made a decision, as he said in the very beginning of his speech.

His major decision has been not to rock the boat, not to change the status quo. He cannot then claim that 23 supported pilot projects in a community health approach are actually a radical restructuring of what he offers our system. It's a mere pittance. It's not even really window dressing.

His whole approach in his speech and everything else has been merely to clean up

what appear to him to be the most obvious mistakes in the system.

I would like to look very quickly at some of his public statements. I will quote them because I'm trying to determine a trend from what has has already said. What I think he is saying is that he is not prepared to move decisively. I would like to quote directly what he said, because I perceive another more ominous note in his preoccupation with money. I have collected a couple of the quotes. They are not really taken out of context because they come in three major speeches. I also have a speech from his parliamentary assistant which sounds very similar to one that the former minister made a year ago.

Following these few remarks in which I will try to do a content analysis of his speeches, I would like to deal with some aspects of the defects of our system. I will not do anything like I did last year when I went on for three hours until the former minister fell asleep, virtually. I think there is no need to repeat that since the situation hasn't changed very much. But I would like to take a couple—

Mr. M. Shulman (High Park): You can't put him to sleep.

Mr. Dukszta: No I can't that's true. That's rather nice, actually.

I would like to deal with a couple of aspects, and one will be the whole aspect of occupational health. Then I would like to deal in more detail, to analyze, maybe, the implications if the Mustard report is ever implemented.

Mr. Shulman: Don't you think it is upsetting that in a $2 billion budget you only attract 10 members in the House? I was just noting that for a $2 billion budget there are only five Tories in the House and one Liberal.

Mr. Chairman: Order please; the member for Parkdale has the floor.

Mr. Dukszta: The three speeches are remarkably content-free, so when I start looking at those three speeches of the minister's I have to read almost between the lines to get what I thought he was driving at. It struck me very much that all three of his speeches were like the speech of the President of the United States a couple of weeks ago on inflation, in which he only offered as solutions homespun things like eat less, spend less, heat less; not facing up to the problem as something serious and deep-rooted.

There also is a trend in some of his speeches which suggested it is either the patient's or doctor's fault and really no one else's. If only the patient backed out, all our problems would be solved. I will say that he is a little more technocratic than Dr. Potter and that he is not totally ad hominem the way his predecessor was. To him there was nothing else wrong in the system except the patient, because the patient did everything absolutely wrong and abused the system. I give the minister enough credit, knowing he's been in the post only the last nine months I'm not going to be critical of that, I know that he at least understands that it can't be all the patient's fault. What can be criticized on is not being prepared to take the next step and change the system to meet the needs.

Mr. Shulman: How would you change the system?

Mr. Dukszta: I am going to tell you.

Mr. Shulman: I am not really heckling you. I am curious.

Mr. Dukszta: In his speech to the obstetricians and gynaecologists on Oct. 1 the minister stated:

> We recognize that we have to accept the responsibility for controlling the number of health professionals and not just accept that responsibility. It's one we shall have to exercise in the near future.

That's a very reasonable statement, but what have you done? What you have offered in your policy statement is nothing. There isn't anything in response. That reminds me of what Dr. Potter used to do so regularly. He would make incredible conceptual speeches. When he was questioned and when he was under pressure, he would come out with what he really believed in and what he was really doing, which usually had absolutely no connection with the community health and person-oriented treatment. I always thought someone must have written his speeches for him.

In the speech in Sault Ste. Marie to the hospital association, on Sept. 19, you say something similar:

> I recognize there are aspects of the situation, such as overall control of the total number of hospital beds, that will need action on our part.
>
> I don't think anybody disputes that this is a time when our provincial health system

is due for a major overhaul. Our total health care costs must not be allowed to grow faster than the gross national product. Smaller hospitals must examine the feasibility of eliminating some of their services. I think there are places where we have too many people doing too many jobs that aren't necessary.

It will be inevitable that some compulsory limit to the number of hospital beds will have to be introduced, either by the provincial government or at the local level. We shall have to accept the responsibility of controlling the number of health professionals.

You make a number of rather ominous statements. They are not misquoted. They are directly said. You have been telling us the same today.

The other statement that you made—to return to the obstetricians and the gynaecologist speech, was:

A compulsory limit to the number of hospital beds will have to be introduced. Every hospital must be prepared to rethink its role in the community in terms of the community's actual and essential needs rather than in terms of the range of services it has traditionally undertaken.

Another way to curtail uncontrolled growth would be to cut down on the intake of physicians from outside sources. Another would be to set quotas for the number of physicians of different categories. There is a need to balance the ratio of family physicians to specialists.

I am listing those things because they are a series of major statements in which you become grossly preoccupied with a couple of aspects; the cost, the hospital beds, constraint in limiting the number of physicians.

I am not sure how this is going to be translated into legislative action. You are not paying attention to the major problems which now exist in the system. It's really not enough to concentrate on a couple of scapegoats. You cannot change the system and you will never be able to control the costs unless you really rescind "majorally," if I may paraphrase a phrase, Mr. Chairman, unless you were to rescind in a major fashion what's wrong with the system right now.

I have to take into some account what your parliamentary assistant stated quite recently. After all he works with you and he also expresses part of the policymaking of your department. In his speech, Public Reactions to the Mustard Report, delivered at the annual meeting of the Association of Ontario Boards of Health:

There are many factors of contemporary lifestyle that do indeed seriously debilitate the metabolism of Canadians. I am referring to the excessive consumption of alcohol, the excessive use of drugs, the consumption of high-fat and high-cholesteral foods, the general lack of physical exercise, heavy smoking, the spread of venereal disease [etc.].

Many of these factors are of social origin. They evolve from the lack of individual responsibility for health care, the casual and careless abuse of the individual's own body and the indifferent acceptance of social behaviour that results in major health problems.

He ends one paragraph later by saying:

We cannot much longer tolerate the enormous costs of running health care in this province as if a doctor's office was a walk-in body repair garage. Public attitudes must change. Canadians must practise greater personal responsibility in preventive health care.

It is estimated that if we could reduce consumption, for example, Ontario's current annual health bill of $2.2 billion could be cut by several hundred million dollars a year.

Again, we are left with what I think is the wrong feeling that it is the patient's fault. Perhaps it is only the parliamentary assistant's opinion, but I think it reflects a lot of the thinking that goes on in your department.

What he said reminds me very strongly of the policy statement of your predecessor. I won't quote it here in detail, but the assistant's remarks are a very true paraphrase of the statement of the then Minister of Health at the annual meeting of the Ontario Medical Association on May 12, 1972. The same accusation was made; that it is the patient's fault and he ought to live better.

To illustrate my point about your preoccupation with costs, I'll quote again from your speech in Sault Ste. Marie on Sept. 19:

What I am talking about now is simply this: Our health costs are increasing each year much faster than the GNP. And that means that they have to consume a higher and higher portion of the provincial budget, a budget that has to cover all the province's other essential services. And, believe me, they aren't shrinking either.

Then you played a bit with figures and you ended up—and I can only assume that you

meant it is a joke more than anything else —by saying that our health bill will go up to something like $11 billion in the quite near future. You are shaking your head. Excuse me, let me read it in more detail. I won't misquote you, because I have here exactly what you said.

> The basic trend has been continuing for years. Even without these special settlements, there's been an increase of around 16 per cent each year. Sixteen per cent compounded annually would mean that in 10 years' time the provincial health care bill would be around $11 billion.

I think you had better change the figures. It doesn't happen—

Mr. Shulman: Tell the Treasurer he ought to manage that out of his surplus.

Hon. Mr. Miller: Or your sales of Chinese goods.

Mr. E. W. Martel (Sudbury East): Or used cars.

Mr. Chairman: Order, please.

An hon. member: That was said by the member for Victoria-Haliburton. He wants to get in Hansard today.

Mr. Dukszta: May I go on?

An hon. member: Yes.

Mr. Dukszta: Your preoccupation with money and what seems like a decision to put into effect cost-efficiency in preference to good health care is apparent to me in a number of statements you have made.

Surely our major preoccupation must not be only cost-efficiency but must be what kind of quality of health care we are getting. The cost—maybe we should face this—is important because we have to pay for it, but it may not be as important as you make it out to be. Maybe we are not spending enough money at the moment on health services when we look at them. I will say again we are not spending enough money on health care.

Where we are wrong is in the way we are spending money and in the way our priorities are set up. Where we are wrong is in the way, in spite of spending so much money, that we still have areas in Ontario which in fact have very inferior health care.

We have areas of Ontario which do not have physicians. If you are poor and in the working class, your health — and it can be proven over and over again—is not as good; nor is your health care as good as if you are living in a metropolitan area and you happen to be able to plug yourself into the system.

I say that I am not preoccupied entirely with money and I don't think you should be preoccupied with it. Your first responsibility here is to be preoccupied with whether you are getting value for your money, how you are using the money and what you are going to do to improve—that, above all is your responsibility—the health care of the people of Ontario. Merely to concentrate on slashing at various budgets and complaining about the money that you are spending on hospital work is simply not good enough.

I would like to quote to you, not a statement by a socialist, because that would be suspect, but to quote to you Sir Keith Joseph.

Hon. Mr. Miller: Who?

Mr. Dukszta: Sir Keith Joseph who may one day be a future Premier of Great Britain. Recently in a major reassessment—

Hon. Mr. Miller: Is he a Conservative?

Mr. Dukszta: Of course. I wouldn't quote anyone else but a Conservative to you. Maybe you will listen better. Of course, he is a Conservative.

He has stated in a recent speech, and I am paraphrasing, that economics are important, "yet we have to get economics back into perspective as one aspect of politics only; important but never really the main thing."

Why social services must cost so much and must be paid for by the present taxation system is something which must concern us, to return to this point. Instead of constantly harping on this, let us see if there is any way that one can in fact, deal with it. I promise you I won't go into detail about how to do it but there are ways of dealing with it.

When you say that the major reason for escalating health costs is either that the physicians are used too much and consequently charge too much or that we use too many beds, that is only part of the answer to the problem of growing health costs.

To quote someone else, just to give you an example of how one should approach it, I quote R. H. S. Crossman, who said what to me is one of the major statements of what I believe is my article of faith in being a politician on this side of the House. He said:

> The most basic of all socialist principles is that a truly democratic society cannot be achieved without shifting the balance between private and public consumption in order to provide as of right to every citizen those essential services which for far too long remained the privilege of a small economic class.

In a capitalist society like ours, we cannot make people equal. No one pretends that either people on your side or the socialist party on this side will actually be able to do this, but what we hope to do within the concepts of our own system is that we can try to compensate people for living in this unequal society. When it comes to social services, which are such an essential part of our lives, social services become more important to people who are poor. Because they cannot pay for them they don't obtain things as easily as others. We as a government—you as the government and we, I hope, as the future government—can move actively to compensate those people by providing a better, more available and more accessible service.

I do not believe that you are capable at the moment—not you personally, but your party—of moving toward this type of approach. It is not capable for a number of reasons, and one of them is that you are what you are—you represent the vested interests, you represent proprietors, you represent entrepreneurs—and it cannot be expected that you can actually move to help and to compensate and to produce a society more equal.

In some things, I am not surprised that you as a minister are not actually now moving toward changing the health system, because all the present proposals to change the health care system in Ontario, all suggest that you might make it more accessible, more equal, more egalitarian.

Finally, I think your party is ideologically unable to stomach such a fact and will not do so. Your speeches merely confirm that they are not prepared to do it. The fact that technocratically and scientifically it is about time you did it will obviously not come into your consideration, since basically the whole response of the party has always been intensely ideological on the question of social equality in social services.

It is not really in your department, but look at how little we provide, whether you are an elderly person, whether you are a worker on compensation or whether you are disabled. We give a pittance. It is within your means, within the means of the minister, to help to provide a better social service in health than the people have been getting. There is probably no disagreement on the fact that health services as they are in Ontario are not equal, and they are not as easily accessible and they are not as easily available to all people. It is built almost entirely on class lines, with some modifications, whether you live in a city or not. It is within your means that you can do something about it, within that limited, small segment of the social services that the government should provide for the people.

One thing which I would like to bring forward here for your consideration – and which at the moment is only partially your responsibility, though it is, in fact, allowed for in your estimates—is the whole field of occupational health. Under the present government, because of long-standing usage and maybe for historical reasons, the whole problem of occupational health has been divided very neatly among the various ministries—your ministry, the Ministries of Health, Labour, and a number of other ministries. So the problems of health, work safety, work hazards, workmen's compensation, public safety, transportation safety and environmental pollution are so divided that it becomes very difficult to deal with one particular problem by approaching one particular person. A number of problems simply fall between the different stools and are not dealt with.

After I finish this thing I would like to leave you with a suggestion—that maybe the time has come for us as a province to move more closely toward what prevails in a number of other jurisdictions in terms of dealing with this very important area for workers of any large industrial state.

Recently in England a committee chaired by Lord Robens produced a document called "Safety and Health Work," which is a report of a committee which sat from 1970 to 1972. On this is based the UK Health and Safety at Work bill. When you look at it, it suggests that this is obviously more of a labour bill than health, but—and this is why I am bringing it to your attention—it very specifically deals with in-between problems which are more the responsibility of one agency which seems to be more directly related to health and social services than to any other.

Now the defects; I'll give you an example of what happens. One specific example is lead pollution. I came to a meeting with a deputation from the metropolitan area council and a large number of residents' groups. They were seeing the Minister of Labour,

who was then Fern Guindon, and the Minister of the Environment (Mr. W. Newman).

The problem which was brought to your notice and to the notice of the other two ministers, was one that three ministers really had to deal with. It involved lead pollution in the city of Toronto resulting from Toronto smelters and a number of other industrial plants, including Prestolite, which is in the riding of Dovercourt and just on the side of Parkdale. The lead pollution, affected the workers in the plant, the public and the residents of the area just outside.

Now you were sympathetic. You spoke. You, in a way, said that this was a terrible situation; yet no action was taken. Because of no action that I can see, you apparently didn't feel obliged to do anything. The Minister of the Environment very seldom feels obliged to do anything about this type of problem. The Minister of Labour only feels peripherally involved. Yet it involved all three of you.

The problem was largely a public heath matter because the ambient air was involved. The factories caused the problem and other people were involved. Now the obvious thing would be some kind of health action to deal with the people who were potentially sick because of the lead poisoning. You needed to take such action as removing the top soil from the area surrounding the factories. There was no one who would, because immediately you would have the question of who would pay for this. This was not considered; it was not done partly because there was no one person to deal with it.

It is my contention that it should be the responsibility of the Minister of Health. Possibly the decision to take a responsible stand cannot be taken by you alone. It would have to be taken by the cabinet.

The defects in the present statutory system are manifold. One, the complicated machinery of various statutes which are not integrated; two, many of the existing laws are outdated, like the Workmen's Compensation law; or unsatisfactory, like the present Environmental Act; and three, some parts are not covered at all, such as who should pay for the removal of top soil in the case of lead pollution produced by the industrial plants in the city of Toronto.

There are a number of points which are not covered by this. When you look at the various questions of health, the occupational health of the workers in the factories or the health of the people in the residences around the factories, the problems fall under different Acts.

I could give you examples of many different acts which health and safety problems of people fall under. The Silicosis Act is the responsibility of the Ministry of Health. The Public Health Act is the responsibility of the Ministry of Health. Blind Workmen's Compensation Act, belongs to Labour. The Employment Standards Act, which has many health aspects, is a responsibility of Labour. The Industrial Safety Act is a responsibility of Labour.

Specific industrial activities, which have an aspect of health in them, like the Construction Safety Act, are the domain of the Ministry of Labour. The Loggers Safety Act is the domain of the Ministry of Labour, while the Mining Act is switched to Natural Resources. And the Woodsmen's Employment Act, again with a number of health aspects to it, is Natural Resources.

Now all the emissions and effluents, with multitude effects from asbestos fibres to the vinyl chlorides would come largely under the aegis of the Ministry of the Environment; The Environmental Protection Act, the Pesticides Act, the Pollution Abatement Incentive Act etc.

When it comes to agencies, we are even more split on this rather important and growing question of occupational and industrial health hazards. Agencies and bodies involved include the Workmen's Compensation Board and the consumer protection bureau of the Ministry of Consumer and Commercial Relations. Yet another ministry which comes into it is the emergency measures branch of the Solicitor General.

Others include the environmental hearing board, the industrial safety branch of the Ministry of Labour, labour safety council, medical advisory board of the Ministry of Community and Social Services, the safety programme development section of the Ministry of Natural Resources, the Solicitor General's public safety division, and the pollution control divison and the pesticides control branch of the Ministry of the Environment.

In that sense, the whole approach to occupational health is mixed up in many different departments and so fragmented that it becomes very difficult to deal with it. Now, in a strict sense it is not your responsibility. But I think as a Minister of Health, with a basic responsibility for the welfare and health of the residents of Ontario, it should be someone like you who assumes the responsibility for it.

My own involvement started with you and with the people who came to present you

with the problems of lead pollution. Some of these things cannot go on much longer. We cannot keep on doing studies and action may have to be taken by one person who assumes responsibility for lead pollution. I don't have to mention to you that the question of lung cancer developing in people who work in uranium mines. Mind you, it also develops with people who work with poly vinyl chloride and asbestos.

These are growing new problems in our society, and yet neither you or your government has picked up any responsibility for it. You should at least show leadership in dealing with this growing and major problem for the workers of Ontario.

The last aspect I would like to deal with touches on the last major report from your ministry—at least it has been produced under the aegis of your ministry. It is the Mustard report, and it came out some time ago. As the member from Ottawa East mentioned, it came out about the same time as you became the minister.

You have rightly said that we must wait and get recommendations, submissions and consult as many people as possible before one rushes into accepting or implementing this particular report.

I have no idea what you have decided to do—whether or not you are in part moving toward accepting the master report. But as a health critic for the NDP, from our point of policy I think I should probably get several things on paper as to our own opinion of what the report stands for.

I am opposed to it for a number of reasons, but obviously not for the same reasons that OMA has attacked Mustard's report. From their position, any threat to their present privilege, however pale, has to be resisted on principle.

I think logically an analysis of a problem should be followed by an appropriate solution. To use a medical metaphor, diagnosis —which is, after all, a prescription for action —should be followed by an appropriate treatment. Treatment may be conservative or surgical, but in the case of what is known surgically as a "hot abdomen," one does not prescribe aspirin and send the patient home. One operates. I would describe the Ontario health system as a case of a hot abdomen. The system is increasingly inefficient, closely characterized by closed shop, and effecting an intellectual model that no longer matches knowledge in the health sciences field.

I think what you have done is that you have made a decision—exemplified in the beginning of your speech—that "Our system is fine and we shall not do anything about it." You will do what one should do, which is a major surgical procedure. You have decided to treat it conservatively and give it, so to speak, an aspirin.

Mr. Shulman: Are you recommending an appendectomy?

Mr. Dukszta: I think I'm recommending it very strongly. A very major operation, a radical resection. At the moment, I am not yet suggesting that the minister should be resected, but I think the system must be.

Studies done both in Canada and the USA suggested the present limited approach to health care, denoted as a medical model, should be abandoned and a broader, "total person, people centred, problem-centred and social preventative approach be substituted." The community health and social services centre is usually considered — not only by others, but definitely by this party—the most suitable locus for delivering a broad range of health and social services dealing with the expanded definition of what is a health problem. Also it provides a framework for the changed relationship between the various health disciplines and the professionals in the community.

Four key concepts are the essential part of this approach denoted as the community health centre approach.

(1) Health and social problems are not discrete and separate, but are like two sides of a coin.

(2) The basic health services are to be delivered in the community and not in hospitals, and should be integrated with social services.

(3) This problem demands a team approach which acknowledges the multi-disciplinary and multi-functional nature of the team with the leadership shifting according to the nature of the problem. Specifically, a readjustment of the physician's role from one of the leaders to one of the resource persons becomes necessary.

(4) Patients in the community are full participants in health care.

Acceptance of these points as a necessity will produce major changes in the existing health care system. It is much easier to accept the analysis of the problem and subscribe to the new definition of what is a health problem, but it is more difficult to accept the logically consequent changes in the relationship of the various health professionals to each other; or a new mode of delivery like the community health centre.

The difficulties are well illustrated by this report that I'm speaking of, the report of the Health Planning Task Force of Ontario. The report contains basically a similar analysis of the problems in the health care field to the one forwarded by Castonguay and Hastings, or the Ontario NDP health policy committee report. But the solutions recommended are different.

The first impression, upon reading the report, is that it is a significant document that urges adoption of a community-based, innovative, integrated health care and social services approach. This is strongly and grossly misleading.

Here is a previous medical analogy; the task force agreed that the Ontario health care system is a hot abdomen, but feels that the treatment should be conservative, not surgical. The task force proposals have been developed from a fundamental assumption that the health care system should evolve from existing arrangements.

Let us examine some key proposals of the report. It states:

> The linkages between health and education of the public and between health and social services have not been well developed. A comprehensive system must make possible the development of each linkage. Yet, in actuality and at best, the report suggests the integration of social and health services on a voluntaristic basis, which means no change from the present fragmented system. The group approach is envisaged as the basic locus of the delivery of community-based health services. The primary care group would consist of a number of health professionals grouped together to meet the primary health needs in a given geographical area on a continuous 24-hour-a-day basis.

In the report's terminology, grouping does not necessarily imply a common physical location but functional linkage. Every effort would be made to group physicians and other health professionals together. But, in effect, in many cases, this would be only nominal, since most practitioners would function separately in their own offices.

Group practice is not a new thing in Ontario. A number of physicians have already banded together to share the use of ancillary staff, local and the sharing of night calls. Usually the physicians bill separately on a fee-for-service system, and contribute to the upkeep of the services and the payment of staff. As such, group practice has many advantages. It is cheaper to run, provides more comprehensive service, especially when a number of general practitioners can share the services of one or more specialists.

Instituting night and weekend call duty rosters rationalizes the physician's time and provides him with a block of time off duty.

In many group practices nursing and other staff are being used extensively in an ancillary capacity, even substituting in some clinical service areas for the physicians. This again has been largely on a voluntary basis, for professional law as it exists now does not allow the extension of the nurse practitioner's role so as to be more autonomous.

The primary care group, as envisaged by the report, will institutionalize the concept of group practice in the whole of Ontario. The grouping will consist of a team of physicians and nurses, including public health nurses, nurse practitioners and other health professionals. Since this grouping is largely functional and does not have a common physical office, the non-medical staff will presumably be attached to individual physicians' offices.

Though many groupings will have a common physical locus, the general development of community health centres is rejected by the report as not being an immediate solution to the problem of providing primary care services. Some shifting of responsibility from the physician to the nurse for chronic health problems, well babies and the elderly is envisaged; yet the existing arrangement of the physicians and the ancillary team is not to be basically disturbed.

So in effect what is proposed is nominally to group physicians together without moving them from their own offices, nominally provide them with extra medical paraprofessional services and yet not disturb in effect the basic professional law as it exists now.

It is the most extreme window dressing that one can provide, and I have been surprised that there has been such a strong reaction from the physicians, in negative terms, while there has been in fact some favourable reaction from others who suggest that it is the most major innovative approach that exists. It is really nothing of the sort.

So the proposed system of unit billing will allow other health professionals to charge on an approved benefits-for-service schedule. The basic fee-for-service mode of payment for services will not be changed.

If you are going to allow both the physician and the nurse to use fee-for-service systems then our cost indeed will go higher. The more logical thing would be, of course, to

change the whole system from a fee-for-service to some kind of a salary or other approach.

Decentralization of community and consumer involvement would be accomplished, the task force suggests, by organizing health services on three levels; provincial, district health councils and area health services management boards. This has a striking similarity to the plan proposed by the NDP policy; except for one vital difference; the consumer will have no direct input into the system. The NDP plan suggests that at both the regional and the community levels, which are equivalent to the district health councils and the area health services management boards respectively, representatives should be elected directly and not appointed.

The task force would have the Lieutenant Governor in Council, on the advice of the Minister of Health, appoint to the district health council 10 impartial members, plus five representatives of the municipal governments of the district. Probably the same degree of impartiality would prevail as is now exemplified by the Ontario Hospital Appeal Board, which is composed of individuals formally or informally a part of the hospital establishment, and naturally enough entrusted with the responsibility of deciding in disputes between the hospital board and the physician who has been denied hospital privileges.

As an example of how to involve the community further, the task force suggested the present hospital boards could form the nucleus of the area health services management boards. One thing is certain; if this is implemented hospitals will have a lot to say in any shift of primary care responsibility away from the hospital.

In summary of my strictures of the Mustard report, the proposed groupings will not allow for the integration of social and health services; they will not change the conceptual approach from the medical model to the social preventive model; they will not alter the professional relationships, financing arrangements or the existing organizational structure; but they will allow physicians extra paramedical help in terms of grouping physicians in the form of a group practice and presumably to take a night off more regularly.

The report of the health planning task force is a response to the challenge of the mounting intellectual and organizational problems in the health care field. It is a response that verbally agrees with the analysis, and then proceeds to reaffirm, triumphantly, the medical "territoriality" and to negate the concept of the community health centre and all it implies in a welter of rhetorical verbiage. In Chinese terms, it is called mouthing "left" slogans while sticking to the "right" actions.

In closing, I would say that many of the things the minister has said, both in his opening policy statement today and in other speeches he has made, suggest that he is unfortunately continuing—and I'm deeply disappointed—to mouth the "left" slogans, which is the community health centre approach, while basically maintaining the status quo of the present medical "territoriality" that is enshrined in his Ministry of Health and all its organizations. When we come to deal with the preventive aspects, I will have more detailed questions to ask about whether, in fact, the minister is delivering even the slightest promise that he has made in his speeches.

Mr. Chairman: Does the minister wish to reply before we proceed to the votes? No?

On vote 2801:

Mr. Shulman: Mr. Chairman—

Mr. Chairman: We had better take these separately; they're all separate and distinct. On item 1, the hon. member for High Park.

Mr. Shulman: We've heard a great deal from both sides of the House about the costs, Mr. Chairman. I would like to know from the minister what he is going to do to cut the costs in this province.

Hon. Mr. Miller: My speeches have been referred to at length by the opposition today, and it certainly is pleasing to know that some people read them.

Mr. Dukszta: Have I read them?

Hon. L. Bernier (Minister of Natural Resources): Great speeches.

Hon. Mr. Miller: Thank you.

The steps in cutting costs, I have said, are related basically to two areas of the health care field—not so much the number of hospital beds perhaps as the number of institutions with beds, and the total number of doctors in the province. Of those two, I think the latter is the more important. I've actively been pursuing that particular area in the eight months—I have one more month of my gestation to complete, by the way, you haven't counted right. Either that or I haven't counted right. I've got a month to go.

Mr. Ferrier: The minister thinks the honeymoon should be on then, does he?

Hon. Mr. Miller: The honeymoon still should be on for another month.

Mr. Roy: The minister certainly is not showing.

Hon. Mr. Miller: I am not, by any means, going to be a premature baby.

There are two steps that had to be taken in controlling the numbers of physicians in the Province of Ontario. The first was one that required federal action. All 10 health ministers have agreed on a policy there. In September we requested the federal minister to work on an immigration policy that made it necessary for a doctor to show that he was needed somewhere before he was allowed into Canada.

The second is a policy that prevents the flow of doctors from a needed area to a non-needed area. While I don't have a detailed solution to that yet, we are getting a lot of discussion of it as the result of the Mustard report. I feel fairly optimistic that we will make steps in that direction so that the number of doctors we train in Ontario will roughly fill our needs and we will not have them increasing each year in an uncontrolled way.

Mr. Shulman: Mr. Chairman, am I to understand that for eight months now the minister has been working on the problem of having fewer doctors in Ontario? That was the first thing he mentioned—

Hon. Mr. Miller: Not fewer.

Mr. Shulman: Not fewer?

Hon. Mr. Miller: Fewer coming in.

Mr. Shulman: Fewer coming in. Is there an optimum number of doctors the minister is aiming for per unit of population or an optimum number of doctors he is aiming for in terms of the province as a whole?

Hon. Mr. Miller: I can only quote the World Health Organization figure. One doctor for every 600 people, I believe, is the World Health Organization figure.

Mr. Shulman: And what do we have?

Hon. Mr. Miller: We had somewhere in the range of one to 548 or 550, the last time I looked. I believe only British Columbia had more physicians per person than we did. We passed the World Health Organization's target a year or so ago.

Mr. Shulman: Am I to understand by that that you are going to attempt to prevent any relative increase in the number of doctors in the province?

Hon. Mr. Miller: That's one of the goals. Unless I can control that one factor, almost all other attempts to control the cost of the system will not be meaningful.

Mr. Shulman: The minister has a very simple way of controlling it, has he not, just by passing an order in council forbidding the licensing of doctors of out of province?

Hon. Mr. Miller: I don't happen to be that parochial in my attitude toward Canadians. I would like to think that the portability of a medical licence, if the member wishes to call it that in Canada, remains valid. We have some other disciplines where there isn't portability from province to province; I think the legal profession has some problems that way.

I don't know that I'd like to start saying that we should start dividing the nation up into fiefdoms where one had to have a licence to participate in any given fiefdom. But I think we should realize that no matter where the doctor came from within Canada, or the world for that matter, if he is in Canada, that we should just let him come to Ontario because Ontario is getting 60 per cent of the doctors flowing into Canada right now.

Mr. Shulman: I want to pursue this, I'm sorry. I understand the minister's good feelings, I'm beginning to have a little sympathy for my colleague. The minister says one thing but a different thing occurs. If he really is serious—and I don't disagree with him—if he is really serious about controlling the number of doctors in Ontario, he is going to have to be tough. It isn't enough to get up and say: "Well, we've studied it and we are going to speak to the federal government." There is really only one way to stop it, he can cut down the number of students going into the medical schools. But the minister is not doing that, he is expanding that, so we are going to have more doctors being graduated. There are certainly more doctors going in beginning next year, an extra 100 in Toronto alone, and expanding in the other schools. So in actual fact he is saying we should have fewer doctors, but we are going to manufacture more doctors ourselves. He says we musn't be parochial by keeping doctors outside. He is just kidding us, he is kidding the public.

Hon. Mr. Miller: No, I said outside of the Province of Ontario but within Canada. My parochialism begins at the boundaries of Canada. That's quite enough.

Mr. Shulman: But the minister has no control of those boundaries.

Hon. Mr. Miller: All right. I think the member is jumping to some conclusions. We need, we think, some 600, 650, 700 doctors a year; somewhere in that range without being too specific. Our medical schools in Ontario have been producing 450, 470 doctors a year; somewhere in that range.

Mr. Shulman: It is 500 and something.

Hon. Mr. Miller: I think it is in the 400 range; 480 I'm told, probably in that range.

Mr. Shulman: It is expanded now.

Hon. Mr. Miller: We are expanding it, but my thought is that if we need 600 doctors a year, surely we should create opportunities for 600 Ontario students to become doctors.

Mr. Roy: Right, okay.

Mr. Shulman: Patience, Mr. Roy. He's brought up two points there and I want to conclude the first one.

Mr. Roy: Okay, I will just follow up. I want to get on that point.

Mr. Shulman: On that very subject, is the minister taking any steps to preserve those places in medical school, whether it is 480—I understand it is 550 places at the moment—for Ontario or Canadian students? It is my understanding that that is not the situation at the present time.

Hon. Mr. Miller: I'd have to say at this point in time the Minister of Health himself has no control on who gets into a medical school in the Province of Ontario, I'm sure the member knows that. I'm only stating my opinion, and my opinion is that we have to give priority to Canadian students so that we can produce the number of doctors we need. Now I'm not trying define a "Canadian" as a person necessarily born in Canada. I'm trying to define a "Canadian" as a person who lives in Canada, whether as a landed immigrant or as a—

Mr. Shulman: Visitor?

Hon. Mr. Miller: No, not as a visitor, I'm talking about those people who have some intention of becoming citizens in the fullness of time, or who have become naturalized citizens of Canada.

Mr. Shulman: All right, I want to pursue this. The minister said there are two ways he is going to save money. The first one is by preventing an unwarranted increase in the number of doctors, and I have yet to hear how he is going to do that; although I sympathize with the sentiment, which is very nice.

But let's go to the second point, which is perhaps a little closer to reality because the first one is obviously a long ways away; the minister is going to wait for action from Ottawa, and we know what happens down there.

Hon. Mr. Miller: They are a little closer to action than the member thinks they are. As a matter of fact, at the ministers' conference not only did we have unanimity among the 10 provinces, which by itself is something of a rarity, but we had, we understand, agreement from Ottawa that there was some need to change immigration systems to give—what is it, points for need in the country. They have these points depending upon the need.

Mr. J. A. Renwick (Riverdale): That is right.

Hon. Mr. Miller: And doctors up to date have automatically won on that score. They are beginning to say they have to be rated as you would farm labourers or somebody else who has perhaps been excluded in the past on the basis of lack of need in the marketplace.

Mr. Shulman: I just want to pursue this. I haven't come to the second point yet, which is the shutting down of hospitals and which is of some interest. It isn't just doctors you are paying. There are some associated groups which are growing by leaps and bounds financially—at least at financial cost to us. For example—what is that group called?—chiropractors. What are you doing about the tremendous increase there? I looked at the most recent statement and I see you are now paying some chiropractors over $10,000 a month. What are you doing about that little problem?

Hon. Mr. Miller: We had a medical review committee for quite a while looking after physicians. I think you are aware of that. It had a salutary effect, and I think you would agree with that. We have set up medical review committees or their equivalents for the other groups now or are in the process of doing this.

Mr. Shulman: A medical review committee?

Hon. Mr. Miller: Let's call them chiropractic review committees, chiropodist review committees or dental review committees if you wish.

Mr. Shulman: I am most intrigued by this, because you know how many doctors have been caught up short by the medical review committee. Tell me how come not a single chiropractor has been caught up short by the chiropractic review committee?

Hon. Mr. Miller: I will have to check with my deputy, but I think we scarcely have got it going, if we have got it going yet. No, it is not going yet.

Mr. Shulman: Another good sentiment.

Hon. Mr. Miller: No. It is well along the way. I think we have made the legislative changes required for that one.

Mr. Shulman: Then let me ask you this. Inasmuch as you have not set any limits on what chiropractors can do, and we have seen that they treat from rectal abscesses to cysts on the head, what is this chiropractic review committee going to look for? I mean they can do anything. They can treat everything and they can cure anything except political ailments.

Hon. Mr. Miller: It is so kind of you to repeat the questions I gave you earlier.

Mr. Shulman: I thought they should be on the record.

Mr. Roy: What's this?

Hon. Mr. Miller: He got the use of the chair over here. We made a little deal while he was here. Stick by me and you can have it.

Mr. Ferrier. The Minister of Energy (Mr. McKeough) was in earlier today. I thought he was trying to get in there.

Hon. Mr. Miller: I lost the train of my thought.

Mr. Shulman: Chiropractors.

Hon. Mr. Miller: Yes. You realize a scope of practice and a standard of practice have to be developed properly so that one can have a committee of review that can decide whether quality care is being dispensed or whether in fact hanky-panky is being played. I think this is the whole purpose.

I mentioned earlier that when the chiropractic and the chiropody parts—the optometric part is already in the health disciplines bill—come in, the scope of practice will be clearly defined and we will have better mechanisms then for getting after someone who is trying to perform something that legally he should not do.

Mr. Shulman: Is it fair to say that the chiropractic review committee really can't work until you define the scope of practice?

Hon. Mr. Miller: I think it can work in certain areas, particularly if charges are being made for services not rendered.

Mr. Shulman: Oh well, they are smarter than that! They're smarter than that surely. You didn't even catch doctors doing that.

An hon. member: Yes they did.

Mr. Shulman: Not for a long while and not after they got over the first initial shock.

Hon. Mr. Miller: Really I differ with you, because I see all the reports of the medical review committee and I would have to say in some cases this is not true.

Mr. Shulman: They were charging for saying "Hello, how are you?" and saying it was a complete assessment. But let's not get off on that.

Really what it boils down to is that until you have a scope of practice confined to chiropractic and chiropody, or podiatry, or whatever you want to call it, I think you will agree with me that your review committee can do very little. This brings me to another question. I love this great sentiment where you say we are going to cut down on the expense by having a chiropractic review committee. You say the chiropractic review committee is well along the way, but the chiropractic review committee cannot do very much until they have a scope of practice defined for them. Do you think the scope of practice will be defined in 1974?

Hon. Mr. Miller: I have learned that the speed of the business world in getting things done is not matched in the parliaments of the world.

Mr. Ferrier: We have learned that.

Mr. Renwick: Thank God!

Hon. Mr. Miller: I am not sure I agree with you.

Mr. Renwick: I am sure.

Mr. Shulman: We may be bankrupt before you figure out their scope of practice.

Hon. Mr. Miller: In any case, I would say we are making pretty good progress in these areas relative to other jurisdictions. I know of no other province in Canada even trying to tackle the problem at this point in time.

Having discussed this again with my other fellow health ministers I feel that we are well along the line in defining the scope of practice of the one topic you alluded to —chiropractic. I have reason to believe it won't be too long before we have all the knots tied.

Mr. Shulman: Thank you. That is another good sentiment and I am glad to hear it. What worries me, having been here now for some seven years, is that a number of health ministers have come in with good sentiments and their lifetime in that particular chair is so short that very few of them, if any, have ever had an opportunity to put their good sentiments into practice. So I extend my best wishes and I hope that you will be around long enough so that some of these good sentiments we have been hearing about this afternoon will turn into action.

All right. Let's go to the second part, hospitals.

Mr. Roy: Mr. Chairman, on the same subject—

Mr. Shulman: On this subject?

Mr. Roy: On the same subject, on the number of doctors, Marc Lalonde was quoted as saying that every time a new doctor comes into the plan they can sort of notch up the cash register an extra $250,000. Marc Lalonde said that. Do you agree with that?

Hon. Mr. Miller: He and I only differ in figures. I gave a figure the other day of $200,000. One can argue whether it is an incremental figure or an average figure, but if you divide into my budget the number of doctors practising in the Province of Ontario you will come up with a figure that ranges somewhere between $200,000 and $250,000.

Mr. Shulman: Holy smoke, I am not getting my share.

Hon. Mr. Miller: I know. I checked.

Mr. Shulman: How much am I getting?

Mr. Renwick: Very trusting.

Mr. Roy: His point was simply this, that every time you add a doctor, like you say, once you get an adequate type of patient-doctor relationship there, you are just getting more patients going around, and every time you add a doctor you can really get a precise figure of money that you can add to the roll.

But look at the number of graduating doctors. I have an article here from the Globe and Mail which states: "Out of 895 physicians added to the register of Ontario last year, 402 were trained in Ontario and 127 in other provinces."

It may well be that some were trained in Ontario and went to practice elsewhere and were not added to the Ontario register, but surely the point that you should get at, in relation to the number of doctors, is that you should gradually increase the number of places available for students from this province who have an apportunity to enter medical school, and at the same time decrease the number of what we call foreign doctors.

I made that point before. However, not only are we not doing this province any good in accepting that many doctors, we are in fact doing a disservice to the country where they came from, where they are needed.

Hon. Mr. Miller: You and I don't disagree on this. I think you have lost one factor, though, that the health resources development programme in Ontario is committed to spending $300 million over 10 years. That was only being spent in the teaching institutions and the teaching hospitals of the Province of Ontario with one specific purpose, to improve their ability to produce more physicians—

Mr. Shulman: More people are here—

Hon. Mr. Miller: —so that we would get to this target of 650 to 700, if you allow me to have that range—I think it is 670 or 690—and so that would be, in effect, self-sufficient now. I can assure you that we are not doing other countries a service, because if you analyse the figures and see where the trained physicians are coming from to Canada. They are, in the main, coming from countries that desperately need them.

Mrs. Campbell: That's what he said.

Mr. Roy: Yes.

Hon. Mr. Miller: I am agreeing with him completely.

Mrs. Campbell: He said it was a disservice.

Hon. Mr. Miller: It is a disservice. As a matter of fact, I spoke recently to the Minister of Health from Morocco—Hadesh was that? Anyway, near the Himalayas, in India, and she—

Mr. J. E. Stokes (Thunder Bay): Himalayas.

Mr. Shulman: Morocco is not in the Himalayas.

Mr. Renwick: Wasn't that Bangladesh?

Hon. Mr. Miller: But she was saying that in her view half a million rupees left the country each time she lost one of her trained physicians, and not only does she have a very poor ratio of physicians, but they couldn't afford the financial drain of losing the people they have educated at great expense to their country.

So there we have a problem. I don't want to pick any part of the world, or any colour or any race—I don't really care if they are from the United States, from Great Britain, or anywhere else—I am only saying that while we win in the beginning by getting a doctor that may have cost that country $300,000 or $400,000 to be trained, we lose in the long run if we don't need that person and if it excludes a Canadian person from entering that particular role.

Mr. Roy: I agree with you. That is why I don't understand why it has taken so long to all at once grasp that aspect of it and say: "Look, we have got to do something about this."

Hon. Mr. Miller: One of the reasons is that it took us a long while to realize that we had reached the saturation point in terms of our total number of people supplying these services.

How often does someone tell you on the street that there are too many doctors? How many patients think there are too many doctors? The constant cry is that there are not enough, rather than that there are too many.

There are a number of myths, though. We have had some of these tested recently in the city of Toronto, and we have found out that some of the myths that were repeated that you can't get a doctor to come and see you at night are wrong.

Mrs. Campbell: Where did you test them?

Hon. Mr. Miller: We did two sections of the city. One was up around Sunnybrook Hospital, I believe—

Mr. Shulman: You can get doctors to come out at night?

Hon. Mr. Miller: The other one was downtown. I couldn't tell you where in the core of the city, but it was somewhere in the central part of the city.

Mr. Renwick: Was that in Riverdale, by any chance?

Hon. Mr. Miller: Probably it was.

Mr. Renwick: If there was a study in Riverdale I would certainly like to see it.

Mrs. Campbell: Does this include Moss Park?

Mr. Renwick: There are a couple of NDP doctors who will come out at night, but those are the only ones I know.

Hon. Mr. Miller: In any case, we are saying that the public has always felt that there were not enough. We had accepted that as a fact. It is only recently we started to say that perhaps it is not so.

Mr. Shulman: Do you seriously get someone to make house calls at night in this city?

Hon. Mr. Miller: I will have to give you a telephone number.

Mr. Shulman: Please.

Mr. Renwick: That is the doctor of your choice, is it?

Mr. Stokes: We are not talking about massage parlours.

Hon. Mr. Miller: I'll look at this data on the study.

Mr. Renwick: This is a doctor-client relationship that is so valuable you can get it by telephone.

Mr. Shulman: Are you saying that there is one doctor in this city makes all these calls?

Hon. Mr. Miller: Try 965-3333.

Mr. Shulman: Mr. Minister, you said something sort of en passant which intrigued me mightily. You said we are going to have to shut hospitals. Did I hear you right or did I hear you wrong? If so, how are you going to decide which hospitals you are going to shut?

Hon. Mr. Miller: Are these the comments I made publicly or to you privately?

Mr. Shulman: Publicly or privately, I thought we were talking on record. How are you going to cut down the hospital costs? Are you going to shut down beds? Are you going to shut down hospitals? Are you going to force, for example, the 10 hospitals in Toronto to centralize their obstetrics or their surgery? Why do we have heart surgery units in places like London and three places in Toronto? And they want to put it in Windsor. It is just so uneconomic. What are you going to do about that?

Hon. Mr. Miller: I think, first of all, you can realize that we have certain facilities in cities where there are teaching facilities that you would not otherwise have.

Mr. Shulman: Do you need three heart surgery units in Toronto?

Hon. Mr. Miller: Probably not.

Mr. Shulman: Do you need two?

Hon. Mr. Miller: We need one, eh?

Mr. Shulman: We need one, for the province.

Hon. Mr. Miller: More than one, my deputy says.

It being 6 o'clock, p.m., the House took recess.

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No. 108



Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Ninth Legislature

Wednesday, October 30, 1974

Evening Session

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

THE QUEEN'S PRINTER
PARLIAMENT BUILDINGS, TORONTO
1974

10

Price per session, $10.00. Address, Clerk of the House, Parliament Bldgs., Toronto

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LEGISLATIVE ASSEMBLY OF ONTARIO

The House resumed at 8 o'clock p.m.

ESTIMATES, MINISTRY OF HEALTH
(continued)

On vote 2801:

Mr. Chairman: The hon. member for High Park.

Mr. A. J. Roy (Ottawa East): Are you sure this is his turn?

Mr. M. Shulman (High Park): Are we in session with eight members present? I didn't mind speaking to 10 members before but surely eight is a little ridiculous.

Mr. R. D. Kennedy (Peel South): The quality is here.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): You have the floor.

Mr. Shulman: I have the floor, but I have nobody to talk to. Come on, let's ring the bells another four minutes.

Clerk of the House: Mr. Chairman, there is not a quorum present.

Mr. Chairman ordered the bells be rung for four minutes.

Mr. Chairman: Will the Clerk take the quorum count?

Hon. Mr. Winkler: Don't forget the Chairman.

Clerk of the House: Mr. Chairman, I see a quorum.

Mr. Chairman: The member for High Park may proceed.

Mr. Shulman: You will recall before the break, Mr. Chairman, I was—

Mr. R. F. Ruston (Essex-Kent): Here comes the member for Riverdale (Mr. Renwick).

Hon. A. Grossman (Provincial Secretary for Resources Development): Now we have one NDP

Mr. Shulman: The minister said he was going to save money in the Ministry of Health in two ways. The first way was by cutting down on the number of doctors; we have a number of pious hopes on that but nothing practical. The second way was by somehow cutting down on hospital expenses; and we understand the ceilings have vaporized, so I gather you are going to try and cut down on the number of open hospital beds or the number of hospitals. I am asking the minister is that correct. If so, which is correct; and if any hospitals are getting the axe, which ones?

Hon. F. S. Miller (Minister of Health): Well Mr. Chairman, I think the assumption that I was going to cut back on doctors is an incorrect one. I would cut back, but not on the doctors. I would like to keep the ratio roughly what the World Health Organization says we should have.

Mr. Shulman: We are below that already.

Hon. Mr. Miller: All right, but our population is growing at a pretty steady rate, doctors are retiring at a pretty steady rate, and we need a certain number just to replace them every year, some 650 or so per year. So that if I could simply have our total production of doctors at something like the total annual demand, I would be satisfied. And I would be very happy to have the distribution of doctors a little better across the province, both geographically and in terms of their specialization.

Now those are tall orders; they are not easy to solve, and I can only tell the member we have done a great deal of work with the medical schools and we have had a great deal of co-operation from them. They are increasing their output of family practitioners; and we are working on the creation of nurse practitioners, I believe the member is aware of that, at McMaster.

Contrary to your opinions that I have highest hopes, I think I have realistic hopes that the—

Mr. Shulman: Hopes anyway.

Hon. Mr. Miller: —rather large oil tanker that I call the health care system can be slowed down and possibly its direction changed.

Mr. Shulman: It may sink.

Hon. Mr. Miller: Well no, oil is lighter than water, and even when one stops it will stay afloat.

Mr. Shulman: But the minister may bring it down.

Mr. Roy: You are the third minister who has said that. There is no evidence of it at all.

Hon. Mr. Miller: Well, that is the member's interpretation.

Mr. Roy: Well look at Hansard.

Hon. Mr. Miller: I am quite aware.

I suggest to the member, though, that the Province of Ontario has done a better job constraining the growth of health costs than any other province in Canada. I think we can take the record and we can show that to him. I think he can look back over the last two or three years and I think for a change—my deputy may correct me—that our total increase in health care costs was running something close to the gross provincial product. In fact I am told it was a slight bit less in certain areas.

Mr. Roy: That is not what the minister says in his speech.

Mr. Chairman: Order.

Mr. J. A. Renwick (Riverdale): Let's not go into that. We could argue all night about how you were better off than the other provinces. The minister can make a statement; but we don't have the information as he doesn't furnish it. So let's not digress on that.

Hon. G. A. Kerr (Solicitor General): That is why we keep saying it.

Hon. Mr. Miller: I'm not sure I'm glad we rang those quorum bells.

Mr. Shulman: Anyway, get on with my question about hospitals.

Mr. Chairman: Order, order. I would point out to the member for High Park that the minister has the floor at the present time. Would you give the minister a chance to answer the question please?

Mr. Renwick: But the minister is so aggravating.

Hon. Mr. Miller: So what was that?

Mr. Renwick: I said it was extremely difficult to give the minister the floor.

Hon. Mr. Miller: I thought the member said erudite, and I was wondering.

Mr. Renwick: Aggravatingly erudite.

Hon. Mr. Miller: Thank you.

Now the question of the hospital issue, as I pointed out and the Star accurately reported today, is a much more difficult one, because the public does want its hospitals. The public is very attached to its hospitals, and certainly if one looks across the record of the province in the last 20 years I think we have only actually closed one hospital.

So that I am not as optimistic in that area as I might be in the question of the doctor issue. Yet I feel that as the health care plan evolves from the Mustard report we will be able to change some of the smaller hospitals from their present function into health clinics of some type, or health centres of some type. That to me is the most important move.

There are lots of places where emergency services should be rendered but not necessarily bed services given, because we have lots of places in Ontario where bed services are within a very few minutes of existing small hospitals. I think that is exactly what we are going to have to do over the next few years.

Now as to hospital beds, you know we closed about 1,600 or 1,700 over the last two years; with the cooperation of the Ontario Hospital Association which recognized that we did have realistic planning standards. In fact if I recall the figures last year, we set our target as closing somewhere around 1,500 or 1,600 beds and more were closed than we requested, which was rather surprising to almost everyone involved.

Mr. Shulman: Well to pursue this, it doesn't make any sense to me, economically, to be closing a wing here and a wing there. For example, let's take this city, where you have wings closed in St. Michael's and wings closed in Mount Sinai. Why should they not be all combined into one? Or for these downtown hospitals why should they not combine their facilities into one? Why should St. Michael's and Mount Sinai both be duplicating the work of each other?

Hon. Mr. Miller: Well I don't like duplication; and we have lots of it, one would not try to deny that, across the province. We can go to many towns and cities where we would like to see a better rationalization of services within hospitals. We have been working our way out, and I think if the member looks at my statement again the member will see we

are doing so with some success across the province this year.

Mr. Shulman: Not in Toronto.

Hon. Mr. Miller: No, not a great deal of success in Toronto.

Mr. Shulman: None.

Hon. Mr. Miller: Well, I wouldn't be that specific.

Hon. Mr. Kerr: Pessimistic!

Hon. Mr. Miller: Certainly in other areas we have; and we've closed the beds in Toronto.

Mr. Shulman: Yes, a bed here and a bed there.

Hon. Mr. Miller: At the same time we'll have to change the function of some hospitals. We do need some chronic-care facilities, as you know.

I think this is one of the issues we've got to look at too in the overall planning of hospital beds. Chronic care, for example, is not popular in the medical profession. I think you would agree with that, would you not? Yet it's the coming thing.

Our population is aging. The demand for health care for those over 65, someone tells me, is four times that of the average person in the under-45 group. We are living longer and chronic demands are going to grow, so obviously we have to be looking at some of the current facilities and either putting chronic beds in or converting some of them from their present function.

Mr. Shulman: I would like to suggest to you that you've picked at it, but if you are really serious about cutting down the cost of hospitals, somewhere along the line you are going to have to bite the bullet and you are going to have to say "no" when people get up in this House and say "in my city"—we've heard it so often—"we want a heart unit, we want a kidney unit." You are going to have to tell all of these various places they can't have it.

Hon. Mr. Miller: With great respect, go back to the Windsor affair.

Mr. Shulman: Yes, I'm pleased that you had the guts to do it. But you haven't yet had the guts to tell anyone they have to take these things out.

Before you came in, and before Dr. Potter came in, there was a tremendous proliferation and duplication, not just around the province but in this very city. I can think, in Toronto alone, of a number of units you could cut down. In fact I could think of a couple of hospitals you could shut down and nobody would notice the difference except the doctors on staff and the people on the boards.

Somewhere along the line, if you are really serious about cutting health costs, you are going to have to eliminate the duplication, eliminate the boards. I mean, it's a great ego thing if you are on the board of a hospital or the staff of a hospital, but if economy is necessary—and I agree with you, I think it is, I don't disagree with that one iota—you are going to have to do far more drastic things than you've done up to now.

The other thing I want to ask you, because to me it is an incredible dilemna, and I don't know how you are going to handle it is: What are you going to do about the doctors' pay? The doctors were conned into accepting a four per cent raise for 1975 a year and a half ago; and they just aren't going to take it. You are going to give your civil servants 58 per cent when the smoke all settles. People are getting 60 per cent and 65 per cent raises over two years. The doctors accepted seven per cent for 1974; and they accepted, agreed to accept in advance, four per cent for 1975.

They are just not going to do it, because despite their high salaries—and no one argues this—they are slipping behind very rapidly because of the incredible rate of inflation. What are you going to do?

Hon. Mr. Miller: Again, one has to look at these problems. I addressed some doctors very frankly on this issue the other day and they asked the same question. They got 7.75 per cent this year for next. They made their settlements well before the other labour settlements were made in the hospital field. Of course they feel they have had the gap narrowed on them, but wasn't that what you were telling me we had to do?

Mr. Shulman: Yes.

Hon. Mr. Miller: All right—that's the answer to the question.

Mr. Shulman: But what I'm worried about is that the doctors won't accept it.

Hon. Mr. Miller: I find the doctor's income today, or at least a year ago, has in a very short period of time gone from four times the average person's salary in Ontario to 5½ times the average person's salary. So he was gaining on the rest of the people.

Hon. Mr. Kerr: From $100,000 to $125,000.

Hon. Mr. Miller: I have no compunction about helping the lower end of the health field catch up. This doesn't automatically mean the higher end has to keep ahead.

Mr. Shulman: I'm not disagreeing with you. I don't want the minister to misunderstand. What I'm worried about is the doctors opting out of OHIP, which is what is being bruited about at this moment. They are not prepared to accept the proposal. I'm asking the minister, is he going to stand firm?

Hon. Mr. Kerr: Say yes.

Hon. Mr. Miller: A doctor can opt out of OHIP.

Mr. J. E. Stokes (Thunder Bay): Pound your table.

Hon. Mr. Kerr: An agreement is an agreement.

Hon. Mr. Miller: That currently is one of his rights, and strangely enough I would defend his right to opt out of OHIP.

Mr. Shulman: Except that if you have too many opting out the costs will escalate.

Hon. Mr. Miller: The costs won't escalate to me, except from a managerial point of view, because it certainly complicates life to pay more cheques. But there may be a salutary effect. As long as the client can make a decision that he or she will go to a doctor who opts in or a doctor who opts out and still can get the service either way, then the system is working as we want it to do. I think you'd agree with that.

Mr. Shulman: Yes.

Hon. Mr. Miller: But at the same time one of the big arguments is that at the current time the patients never know how much they are spending in the system. The moment you go to an opt-out doctor you know how much you are spending because you have to lay it on the line before you get the service.

Mr. Shulman: Agreed, but will the minister agree that your administrative costs are going to rise astronomically?

Hon. Mr. Miller: I am willing to say they are going to rise, but when one looks at the administrative costs of OHIP as a percentage of the total health care package, it isn't that significant.

Mr. Shulman: Just one final point: The minister said in his public speech the other day that there were too many specialists—and I hope I am not misquoting him. The thing that I find impossible to understand is that we can't get appointments with specialists. If you want to see an eye doctor, it is February; if you want to see an allergist, it is next April. What has gone wrong?

Hon. Mr. Miller: I am willing to listen to advice from any source at this point in time. One comment that a GP made to me—and I think you were concurring in this, if I recall correctly—was that the spread between the GP and the specialist has been growing. The GP has been working harder and harder to make his living; the specialist has been able to work fewer and fewer hours to make his living. Is that a fair statement? And that is one of the roots of the problem.

I think that is why a lot of people have chosen specialization, because you can have regular office hours a lot easier and have fewer demands on your time when you want the time to be your own. I think that to some degree is a problem of the OMA in that the rate schedules that pay specialists' fees of that order should be looked at very carefully.

Mr. Shulman: Well, are you looking at them?

Hon. Mr. Miller: I don't have to look at them—OMA does.

Mr. Shulman: Yes, but you have the problem. You are the Minister of Health and I, as a GP, can't get an appointment with a specialist for my patients. Are we going to wait for the OMA? We have been waiting for them for 50 years; and we are going to wait another 50 years. Is there nothing you can do?

Hon. Mr. Miller: Do you have trouble getting an appointment with an ophthalmologist?

Mr. Shulman: Yes.

Mr. Renwick: I don't.

Hon. Mr. Miller: I don't. I was going to say ophthalmologists are now—

Mr. Renwick: I went to school with one.

Mr. Stokes: I waited three months in Thunder Bay for an appointment.

Mr. Shulman: I wouldn't turn you down if you phoned my office, either; I would be a little nervous.

Hon. Mr. Miller: It is amazing. I use a pseudonym most days.

Mr. Shulman: I just want to refresh your memory about something. You will recall last year when the seven per cent raise was given. You got up here—I am sure it was you—and said the majority of that money is intended to go to the GPs. And when the smoke cleared, we didn't get any of it.

Hon. Mr. Miller: Yes you did.

Mr. Shulman: Oh no we didn't.

Hon. Mr. Miller: Your basic rate went up 10.2 per cent over last year.

Mr. Shulman: Let me just refresh your memory; or fill you in on the facts. For every office call, which was $6 at that time, it was raised to $6.70—so we got an extra 10 per cent there. And at the same time, for every annual health exam, which was $15, it was reduced to $10.

Hon. Mr. Miller: You have got it wrong. You had better go back and look at your OMA schedule properly.

Mr. Shulman: I have the OMA schedule right here in this building, so don't challenge me on that.

Hon. Mr. Miller: It is just that you can't read it.

Mr. Shulman: All right, Mr. Health Minister, don't say that, because you are wrong. Prior to the increase in the fees—

Hon. Mr. Miller: You were wrong the day you brought that to me. I can't explain it out of my head, but I had it checked for me and you are wrong.

Mr. Shulman: All right, you have a lot of experts. Ask one of them to explain this to you. Now I am going to give you two facts, and you challenge either one of them.

Hon. Mr. Miller: Just wait till I have my answer back.

Mr. Shulman: All right; here are the two facts, and I ask you to challenge either one of them. Prior to the raise in the fees, the GPs received $15 for an annual health exam. After you raised the fees we received $10.

Hon. Mr. Miller: I understand the question. I will have your answer in detail.

Mr. Shulman: All right. Point two, prior to the raise in the fees, we got $15 for every pre-school examination—pre high school or pre public school. After you raised our fees, we got $10. It was the con job of con jobs. The Star headline was: "GPs To Get Most Of It" And it wasn't true.

Hon. Mr. Miller: Who made those decisions?

Mr. Shulman: The OMA.

Hon. Mr. Miller: All right.

Mr. Shulman: But you are supposed to be the Minister of Health overseeing it.

Hon. Mr. Miller: Look, I said how much money they could have, and I told them they could divvy it up the best way they wanted.

Mr. Shulman: But who do you think runs the OMA? It is not the GPs.

Hon. Mr. Miller: Why don't you run for office?

Mr. Shulman: Well I am a little busy here worrying about you. You are supposed to be the Minister of Health; you are supposed to be watching them. You are the one who agreed to the fee schedule. That was the con job of con jobs.

You got up in this House before it was announced and said the GPs were going to get the bulk of it. I found afterwards that in an average day I would take in less than before. I could see the same number of patients, and end up with less money. And this applied to every GP, because we were getting 70 cents more on one side and losing $5 on the other. It was a great con job.

Do you know who got that extra money? The specialists got the extra money. And you were supposed to be changing the OMA schedule so that a greater percentage went to the GPs. It just didn't happen.

Mr. R. G. Hodgson (Victoria-Haliburton): How did you do today?

Mr. Shulman: Pretty good.

Mr. Chairman: The hon. member for Hamilton Mountain.

Mr. J. H. Jessiman (Fort William): Inflation goes up another two per cent.

Mr. Shulman: The minister won't accept the facts.

Mr. J. R. Smith (Hamilton Mountain): Mr. Chairman, listening to the various remarks about hospital services in Metropolitan Toronto, I indeed realize how fortunate we are

in the municipality of Hamilton Wentworth to have such improved health services in the past five or six years. Indeed, perhaps I have been too harsh, to say the least, in publicly criticizing the Hamilton Health Council at recent meetings held by the minister at the invitation of the regional chairman at the Hamilton city hall.

In retrospect, I must confess, it is an evolving programme, an evolving council in embryol stage, and when one sits back and assesses what has been accomplished in Hamilton, it's most notable. I am impressed that we have specialized facilities, not in all the existing hospitals in the community, but rather a system of specialization that has developed at certain key hospitals, such as the Henderson with their cancer clinic, the general hospital with their burns and industrial accident unit and their cardiac programme, and the Chedoke hospital with their rehabilitation services and so on. It's most admirable.

One programme in our community that really is a pioneer in the field of medicine is the St. Peter Centre which is going to concentrate on an intensive programme for out-patient care for geriatric patients which will not only provide a needed service for senior citizens, and relief for families but will also allow them to live with their families or with a husband or wife that is well at home. I think this is far better than relegating many people prematurely to homes for the aged or into nursing homes.

St. Peter's Centre, of course, is connected with assessment and placement of people requiring nursing home care. I think Dr. Bain, the head of that programme, has developed a very sophisticated assessment and placement programme, and despite the initial fees of many people in the community, it has evolved into a very admirable programme. I hope a similar assessment and placement programme can be provided in other centres across the province.

In conclusion, I hope we in Hamilton, with the operation of the McMaster Medical Centre and Medical School, have indeed become one of the finest medical centres in North America. Just last week one of the officials on the board of education informed me that this year they have noticed the number of schools has risen. Some people are now moving into Hamilton because of the specialized health care facilities that are available to people of that region. To me that's just great and most admirable.

I would like to ask the minister one question. Regarding some of the isolated communities in northern Ontario and northwestern Ontario—we discussed this before by correspondence—particularly those served by the northern core, I wonder if there has been any progress in providing eye testing and hearing screening and so on in these communities and the follow up that is required for the prosthesis and so on.

Hon. Mr. Miller: Mr. Chairman, I think I can echo the member's comments on Hamilton. In fact I had the privilege, just yesterday, of meeting with a delegation from Hamilton. Hamilton is one of those happy areas where there is virtually no duplication of services because the planning at the local level has worked. I think it's an indication of the very things we are trying to say can happen if a group of people at the local level put their minds to solving their problems and determine there won't be duplication; there will be teaching throughout the system rather than in the McMaster University Medical Centre core; and specialized services won't be dragged into the university rather than left where they should be, in the hospitals.

I was most impressed to find representatives of several hospitals, the university, regional government, city government and the health unit, sitting down and making a concerted pitch for something they believed in. I think that's a lesson I hope the other areas of the province will emulate and profit by.

As far as the north goes, I can't give you much detail on the improvement. As you know, both the ophthalmologists and the optometrists have been doing their best to get eye vans, as they call them, into the north to test the eyes of children in areas that are otherwise under-serviced.

I know that when I was in Red Lake in late May or early June, they were still concerned about the inability to get a regular service. I have been in contact with the optometrists since then, and they have indicated some interest in trying to help us resolve the problem in areas like that on a more permanent basis than the present one. It is always the story of "having great difficulty."

In going through the north I visited quite a few of the smaller communities this summer. Up the shore of James Bay, for example, in places like Fort Albany, Attawapiskat and Moosonee, one of the interesting things, of course, is that the medical schools are starting to send their students out to spend a period of time in these areas and provide services to remote communities like Attawapiskat.

The weakness in that system is there is

not much continuity in that the patient often sees a different physician each time, but at least for a change they are seeing a physician. And they do have a continuity of nursing staff in most areas to look after their regular needs. I think, the nursing practitioners, do a very fine job in those areas.

I am encouraged to think that the service is so much better than it was not long ago, that with the present rate of improvement we can hope for even better conditions.

Mr. Chairman: The member for Ottawa East.

Mr. Roy: Mr. Chairman, before I get into a number of questions I have on this vote, I would like to ask if the minister intends to answer any of the comments made in the opening remarks or will he reply later on? I don't want to repeat myself on these things.

Hon. Mr. Miller: I can wait until later if it suits the member. I have made notes of the things I thought he raised. I suspect also that a good many of the points will occur during discussions of the individual votes and the opportunity will come then. However, if they don't come up, I have a list of the ones that have been mentioned and I can summarize at the end.

Mr. Roy: I want to talk about the question of the number of doctors. Before the House recessed, I made one point in relation to the number of foreign doctors—I think we are in full agreement on that point—about cutting down the number of places we have available in our medical schools. It is difficult to extend medical school placements, of course, if you keep accepting doctors from the outside, but we try to keep that balanced.

Mr. Renwick: Isn't that an immigration problem and not our problem?

Mr. Roy: Well, I think the Province of Ontario, which is accepting the bulk of these doctors from outside, certainly should provide some input to the federal government as to the immigration problem.

Mr. Renwick: I will comment in a minute or two about that.

Mr. Roy: Mr. Chairman, the first question I want to ask the minister is, what does he expect to bring in as far as supplementary estimates are concerned, keeping in mind the fact we have given these increases to the hospital workers, the nurses, the technicians, and in light of the fact that the ceilings are now—well they are gone according to the comment yesterday. They are gone and they are not gone, according to the minister's comments. In any event, there is certainly a very serious question whether the ceilings are still there.

What does the minister expect we will have as far as supplementary estimates are concerned?

Hon. Mr. Miller: In dollars?

Mr. Roy: In dollars.

Hon. Mr. Miller: I really don't want to estimate because I cannot give the member a sound figure at this time. I have a pretty good idea. I think to start guessing that it's $100 million, $75 million or $150 million is a dangerous kind of game. I think I know what it is going to be, but until I have the papers put before me I am not going to give that figure.

Mr. Roy: Are we going to get the supplementary estimates prior to the Christmas recess?

Hon. Mr. Miller: I would hope so. We can be prepared for them.

Mr. Roy: That is all I want to know, because I expect the figure will be something over $200 million.

Hon. Mr. Miller: The member may be right.

Mr. Roy: But the minister can't tell us now? As I mentioned in my opening remarks, these estimates are pretty late in the year anyway, and since we generally get supplementary estimates about this time in the fall session, I would have thought we should have had some idea of what they are.

Mr. Chairman, if I may, I would like to move to another point dealing with the doctors. You've admitted—and this is something we've known now for over a period of a year—that the doctor-patient ratio in this province is adequate. In fact, it's lower than the standard as provided by the United Nations. We all know, though, that the problem is one of distribution of doctors. We all know that doctors generally gravitate towards the centres. In other words, the patient-doctor ratio for Toronto and Kingston, and probably Hamilton and Ottawa is very high, whereas the minute you get out of those areas, then the patient-doctor ratio goes down.

I know you have a programme about basic salary. You are encouraging doctors to go to remote areas. But what are you going to do

with the OMA, which I see recently is quoted as saying the provincial government should not have any control over where a doctor sets up his practice, which patients he sees, and how he is paid. The Ontario Medical Association said this in a brief which I think came out last week. I see a sense of confrontation.

You, as the minister, and certainly we as an opposition, want to co-operate with what we consider to be some of the more important health professionals of the system. On the other hand, I find that some of the associations in the OMA have shown a lack of flexibility. Surely when the taxpayers of this province, and we as representatives of the taxpayers, are paying out moneys, when we are talking about a budget of $2.3 billion and when we are talking about the question of numbers and the question of distribution and the question of specialists and so on, I think it is a right and a duty of a Minister of Health and of this government to tell the doctors if there are too many doctors and if there are doctors needed in certain areas. I think the OMA, by taking this position, is going to tell you they don't want you to have any control over where the doctor sets up his practice, which patient he sees or how he is paid. I think that is a bit much. I'd like to have your comments about how you are going to deal with the OMA.

Hon. Mr. Miller: First of all, I have to say my relationships with the OMA, which are pretty regular, as I see them at least once a month on a planned basis with an agenda that is agreed upon and discussed, have been excellent. That doesn't mean there aren't points on which I disagree with them.

I think their reaction to the Mustard report if it were compared to the Ontario Hospital Association reaction to the Mustard report, if it were compared to almost all other reactions, would fall into place because almost all groups that had a special interest in the health care field looked at the Mustard report, agreed with most of it and disagreed, as I have said before, with the parts that applied to them or threatened them.

I think that is a pretty normal reaction. This is their current position. We are digesting it, and all the other replies that have come in and hopefully we will have our own white paper to float before too long, although how long that will be I can't say because it is by no means an easy task. It is a jigsaw that has very many pieces and some pieces seem to be missing some days.

Mr. R. S. Smith (Nipissing): Is the white paper a policy paper?

Hon. Mr. Miller: A policy paper, yes.

Mr. R. S. Smith: A definite and definitive policy paper.

Hon. Mr. Miller: Usually white papers are a definitive policy paper. It's the closest thing to legislation. It usually precedes it.

It's not the final form, I would like to say to the hon. member, because it gives you that final reaction the public will have or the groups will have to your position. The white paper after all is our position. Dr. Mustard's was a green paper. It was not our position. I think that is the fundamental difference in the two points. Just as our position in the health disciplines bill was amended considerably through discussion, a white paper position would be subject to amendment through discussion. As long as one understood that, we would be on safe ground.

Mr. Roy: Let's deal with the first aspect. Do you not feel, as Minister of Health, when you consider the distribution of doctors across this province, that, if for instance, we have too many doctors in Toronto or Hamilton or in Ottawa and not enough some place else you reach a point where you should say we need doctors there. As to how you go about saying it, you might need incentives. You might have to pay doctors who go to a particular area more—a higher fee for service to go into that area.

But, nevertheless, don't you feel as a matter of policy that you, as minister, as representative of the electorate in this province, should have a say, first of all as to where a doctor sets up his practice?

Hon. Mr. Miller: I think there's logic in that basic statement, yes. When one is short of physcians, one cannot dictate the ground rules.

Mr. Roy: That's right.

Hon. Mr. Miller: When one doesn't pay physicians, one cannot dictate the ground rules. But when one has enough physicians and pays them, one can start discussing the issues.

Mr. Roy: Now we're talking. The second point is which patients he sees, and that brings us to the question in you speech about too many specialists.

Mr. Stokes: The CMA would disagree with you on that. They say there enough.

Mr. R. S. Smith: He agrees that there are enough.

Mr. Roy: I am saying to the minister, you've talked about the large increase of specialists over the last years as compared, let's say, to family practitioners. We know, for instance, that you have too many specialists in some areas or too many people in one speciality.

Hon. Mr. Miller: And not enough in others.

Mr. Roy: And not enough in others. Now, there's a question, as you know, in the Mustard report about how people get to see specialists. They do it on referrals or so on. As you know, the OMA is against that, and in fact it proposes an alternative solution. I see here, looking at the latest Ontario Medical Review, they state they've suggested to you that rather than have a system whereby a patient does not have the choice of going to his family doctor or directly to a specialist if he wants to, and rather than have a system, as Mustard suggests, where you have primary care and everybody goes through the system—that way, if he needs a specialist he ends up on referral only—that you have a system whereby you pay the specialist fee only on referral, and charge the difference to the patients who go to the specialists unreferred. That's their suggestion and I'd like to have your comments on that.

Hon. Mr. Miller: That's an interesting one. I think one of the editorial pages of one of the papers recently discussed this reaction and said it was even simpler, that you should only pay a specialist a specialist fee if he did a duty that required his special knowledge. I believe the Province of Quebec has been thinking about that, if it hasn't already one it.

There are a number of ways of solving that problem, and I am not going to commit myself to one tonight, obviously.

Mr. Roy: No, no.

Hon. Mr. Miller: But the problem has to be resolved. It's obvious that you're going to have some kind of economic disincentive, isn't it?

Mr. R. S. Smith: You have to have a definition of what a specialist does or does not do.

Mr. Roy: The point I'm trying to make to the minister is that the OMA has taken a pretty firm position as to where it stands, what your duties are, and what it is going to put up with. The first one was that you don't have a say in where they practice, and I say that you should.

The second point, of course, was which patient he sees, and that brings us to the question of specialists and the primary care and this type of thing.

The third point is how he is paid. I find that a bit hard to take, and I just wanted your comments on that as well. Again as the representative of the public, and you as Minister of Health, in the light of the fact that it is the taxpayers' money that goes to pay the doctors, do we not have a say in how the doctors are going to be paid?

Hon. Mr. Miller: We do now, Mr. Chairman. We have what we call the Clawson committee. It was set up after the Pickering study, which was paid for by the OMA, as I understand it.

It looked into all the attitudes of the public, the payment mechanisms, the role of the physician and so on. It came to the conclusion that in fact government had a justifiable interest in the payment mechanisms and the amounts paid and the negotiations to physicians. Out of that very quickly came the Clawson committee, which has three voting physicians, three government people and one neutral chairman.

This committee has functioned in those areas of monetary interest to the physicians, and at the last health ministers' conference was held up to them and by them as a model of how to discuss these issues, a model that worked.

Mr. Roy: Mr. Chairman, I just have a couple of more questions on the first vote; and I intend to deal with the question of hospitals, I think, on a later vote, with your permission.

The other point I wanted to raise with you is, you've already discussed the Mustard report and I want to know when you're going to bring in your white paper. You say shortly. What are we talking about, months?

Hon. Mr. Miller: Yes, certainly months.

Mr. R. S. Smith: That's less than a year?

Mr. Roy: Less than a year?

Hon. Mr. Miller: Months are not necessarily less than a year.

Mr. R. S. Smith: Oh, oh; I see; I see.

Mr. W. Ferrier (Cochrane South): Maybe after the next election.

Mr. Roy: I suspect that you'll not try to muddy the waters or create any waves before the election in 1975.

Mr. R. S. Smith: That's the only thing we're sure of.

Mr. Roy: I'm prepared to wager you that we'll see very little of Mustard prior to the election in 1975.

Hon. Mr. Grossman: Who said there was going to be an election in 1975?

Mr. Roy: It's obvious. Were you not in during the question period today? Your propaganda is going all over the schools.

Mr. Stokes: The Minister of Natural Resources said it.

Hon. Mr. Grossman: You said it last year and we didn't have one.

Mr. Roy: Man, I should go and look at the bank account for your party. The money must be starting to roll in already.

An hon. member: That's just a start.

Hon. Mr. Grossman: Oh, we have always done pretty well. People have faith in our party.

Mr. Roy: It's full.

Mr. Chairman: Order. Let's get back to the vote.

Mr. Ferrier: Kelly was a pretty good arm twister, you know.

Mr. Roy: Mr. Chairman, to the minister, I want to know when we can expect his second phase of the bill in the Health Disciplines Act? Does he plan to deal with some of these?

Hon. Mr. Miller: Yes, we're making good progress there; but it won't be in this session before Christmas—I can assure the hon. member of that. I would hope that within our next session, yes, we would have more parts in the Act.

Mrs. M. Campbell (St. George): Before the what?

Hon. Mr. Miller: Prior to Christmas.

Mrs. Campbell: No, the question is, it won't be before Christmas; but I hope that these boards have been looking into it.

Hon. Mr. Miller: I would think that we would have some more parts for the bill in the spring.

Mr. Renwick: Can the minister table it before then for examination at the end of the year?

Hon. Mr. Miller: I don't know that it would be necessary. I don't think it's going to be ready for that stage, quite frankly. But our last system worked very well. I think that system should be maintained, whereby we work with the groups involved—basically thrash out most of their differences—and then put it into committee for open discussion and allow it to be discussed and amended to as we need to at that point.

Mr. Roy: It should continue to work very well as long as we retain your confidence, or that you have confidence in us. As I mentioned in my opening remarks, unless something substantial is done in certain areas, we are going to start wondering whether we're really doing something or we're just playing around with the denturists or the Health Disciplines Act.

My last question to the minister is this: I want to have his comments—and it seems to me as a matter of policy—whether he was correctly quoted at the ministers of health conference. I think it was here in Toronto a month or so ago. He stated at that time that the question of "dentacare," or a universal dental care plan, was not a high priority action item. Are we going to have that sort of a plan in this province prior to 1975?

Hon. Mr. Miller: I couldn't say I wasn't accurately quoted. I feel I was accurately quoted in those words. I don't know about the word "action"—that doesn't sound like me; but "a high priority item," if the member will settle for that. I have made a commitment to be ready with a plan for dental care; in other words, to have the mechanics of it worked out.

Mr. Roy: The timing is going to be important.

Hon. Mr. Miller: I think it is important to have a number of options available, because there are a number of areas in the health care system that we could move into—and sometimes at equal dollar cost. I think it's only good sense for me, as minister, to have these costed in advance, to have the details worked out in advance, and to have discussed them with the people who will be involved with them.

And so, consciously, almost since the first day I was made minister, I have asked my staff to work with the Ontario Dental Association and, at times, with the college—because the college is involved in this process, too—to have a plan ready.

I can tell the members that as recently as two nights ago I talked to the ODA, and

they're totally satisfied that we have reached the point where all but monetary negotiations have taken place. They are fully aware that I did not ever tell them that, in carrying out these discussions, it was because a plan would occur; but in case we were able to afford it, or elected to do it.

Mr. R. S. Smith: What about the minister's predecessor?

Mr. Roy: That's a change of policy, because I recall the minister's predecessor stating clearly there was going to be a plan brought. It appears clearly to be a change of policy.

I will be prepared to wager with the minister that, again, come the election in 1975, that's going to be one of the goodies. We're saying to him that, as far as priority is concerned, we on this side of the House consider it to be priority enough that it should be enacted as soon as possible. It's not a thing to play games with. I don't see anything more important.

Now, I quite appreciate that it's hard to bring in new programmes when the government has a series of other programmes that it has not been able to control. At least, we have not seen much evidence with you or your two predecessors, that this ministry has been able to control the question of cost. But I say to the minister—and by the way, while I'm on that topic, controlling the question of cost—was he not quoted Oct. 1 in his speech when he said that the health budget was not increasing faster than the increase in the GNP?

Hon. Mr. Miller: I said for two years on the average.

Mr. Roy: The GNP is not rising at 16 per cent a year, is it, in this province?

Hon. Mr. Miller: No, it is not. I took averages over a period of time, the average escalation rate; not necessarily a given annual rate, because we constrained it for two years, I think, specifically. Is that correct?

Mr. Roy: Which two years?

Hon. Mr. Miller: 1972-1973.

Mr. Roy: There was a constraint, sir, because the minister is quoted here as saying the pace at which it turned toward escalation has been continuing, "even without special settlements there has been an increase of 16 per cent per year." I would think that this year it is going to be more like 20 per cent.

Hon. Mr. Miller: That is why I am taking the average.

Mr. Roy: Because if we are going to follow the minister's logic in that speech, the health budget has got to be increasing faster than gross national product, because he talks about disaster—and if our gross national product is escalating at the same rate as his health—

Hon. Mr. Miller: It is good.

Mr. Roy: It is good, yes, but that is not what is happening. I just want to clear that point up.

Getting back to the question of dental care; the minister's predecessor, if I recall correctly, had made a commitment that was something that was, if not a priority item, it was certainly something that was coming.

Mr. R. S. Smith: It was a policy that they were going to bring forward.

Mr. Roy: Yes, it was a matter of policy, and I would like to know what is the minister waiting for? Is he waiting for the election to be declared before he comes up with this type of plan?

Hon. Mr. Miller: I suppose there would be no real reason for changing ministers if a minister was bound to every policy decision that was announced in the past. We wouldn't have changed my mind on dentutherapy, would we?

Mr. Roy: No, but—

Hon. Mr. Miller: But the member told me to change my mind, didn't you?

An hon. member: That's why we are still here.

Hon. Mr. Miller: I have to, as minister, bear the responsibility for those things I do; and I feel, therefore, I have to have the right to look at the things I do and make up my own mind.

Mr. Chairman: The hon. member for Thunder Bay.

Mr. Stokes: Thank you. I want to chat with the minister about the statements he made that there were enough doctors in Canada and in Ontario today, and it was just a case of poor or mal-distribution.

How am I going to explain this to people who live 300 and 400 miles away from a doctor? How am I going to explain this to people who live, say, in Pickle Lake, which

is 347 miles away from Thunder Bay? How am I going to explain this to people in Savant Lake, who live 240 miles away from the nearest doctor? What kind of information, what kind of data, did the CMA base that conclusion on, when they said that there really wasn't a shortage of doctors in Canada generally and in the Province of Ontario?

I want to remind the minister that in my home town of Schreiber, the doctor we have now came from Czechoslovakia, he didn't come from any place in Canada. The doctor before him came from Ireland and the town that I live in paid several hundred dollars just to advertise and recruit and bring a doctor out to serve the medical needs of my home town.

Now the doctors and the Minister of Health can do all the rationalizing they want. But there is no way he is going to convince the under-serviced and the non-serviced areas of northern Ontario that we have sufficient doctors. I think it is patently unfair for this ministry, through OHIP, to charge premiums for health service and for medical services in the Province of Ontario, and then expect the people who pay those premiums to travel the distances that I have just mentioned in order to avail themselves of the services. I think that it is unjust.

Can you imagine the great hue and cry if somebody wanted a specialist or some kind of medical attention in Metropolitan Toronto and they were told: "Oh, no, we can't provide that service here—you'll have to go over to Sault Ste. Marie."? Those are the kinds of distances that I have been talking about.

Mrs. Campbell: It does happen in Toronto right now.

Mr. Stokes: You've got patients from Toronto going as far away as Sudbury and Sault Ste. Marie for medical attention?

Mrs. Campbell: No, I am sorry—Hamilton is the farthest I know of.

Mr. Stokes: Yes. Well, that is a hop, skip and a jump in terms of northern Ontario.

Mrs. Campbell: Yes, but we are not so well serviced here.

Mr. Stokes: Well, you may not be well serviced, but I want to say that we in the north are underserviced or lack services completely.

The minister made mention of the fact that he had visited places like Moosonee, Fort Albany and Attawapiskat. I know of a programme that was undertaken in concert with the federal authority, the Ministry of National Health and Welfare, to provide services to remote communities in the north. Well I want to tell you that with the specialists who go from Toronto Sick Children's Hospital here under the auspices of the medical school associated with the University of Toronto, there are some areas in the far north where they get better treatment than many communities in the lower part of my riding.

Take a look at the town of Armstrong. Your colleague, the Provincial Secretary for Resources Development, lays claim to having talked with a lot of people—and I don't doubt this for a minute—in the town of Armstrong. He knows what the social and economic problems are there. He just talked about an ambulance to take people 160 miles from Armstrong into Thunder Bay for medical services. How many people in Toronto and in southern Ontario would tolerate a condition where they had to hire an ambulance and go 160 miles to seek medical attention when they pay the same OHIP premiums up there as they pay down here?

When are you going to at least provide us with mobile clinics for both medical and dental services and for all of the things they pay for and don't get? When are you going to make the health services much more mobile?

If you don't provide a mobile service in areas that are serviced by road, and a flying clinic-flying doctor services, flying nurse services in remote areas, when are you going to make the cost of travel for those people who have to travel the 350 miles to get the services of a doctor, and to get medical treatment, a direct charge against the OHIP programme to see that justice is done in this province?

I'll bet you that if you took a look at the number of visits those who pay OHIP premiums in the small communities of Pickle Lake and Central Patricia make to a doctor or a hospital in the course of a year and compare that with the same number of people any place else down here in Toronto, you would find that the health costs are at least 10 times as much per capita in Metropolitan Toronto to what they are up in Pickle Lake.

You are shaking your head in the negative. I happen to know that is true.

I know people who haven't gone to a dentist in five years. The communities of Schreiber and Terrace Bay are nine miles apart. Schreiber has a population of 2,100. Terrace Bay has a population of 1,900; and

in order to get dental treatment they have to go between 130 and 140 miles to the city of Thunder Bay. We have a concentration of 4,000 population and we haven't had a dentist for the last six months.

These are the kinds of things that cause us a good deal of worry, a good deal of concern, when I hear the Minister of Health and representatives or spokesmen from the Canadian Medical Association stand up and say we have lots of doctors, we have lots of medical practitioners, there's really no problem; all the Minister of Health has to do is sort out the problems of bad distribution.

I could tell you that you have had your incentives to doctors to settle in the north, and you know better than I do, and Dr. Young knows better than I do, what the shortages of doctors and dentists are in remote areas of this province.

I want a direct answer from the ministry. I don't care how he resolves it or how he arranges it with those who are responsible for providing health services in the Province of Ontario, but I want a commitment that he will undertake to see that need is met; either by providing the necessary personnel and the necessary services, or making the cost for patient travel to the closest place where that service is available a direct charge against the OHIP programme.

Hon. Mr. Miller: I have never tried to imply that the north was well serviced with physicians. I said our total number of physicians. I automatically said our other problem is one of distribution.

It is; and there's not a province in Canada that hasn't got a distribution problem, unless it is Prince Edward Island. It's as simple as that. Even the have-not provinces like Newfoundland have the distribution problem.

I have great sympathy with this problem in the north. I think Ontario is looked upon by all the other provinces as having had the only scheme that got people into those areas by any means. The under-serviced area programme has worked very well. You have a physician in Terrace Bay, have you not?

Mr. Stokes: Yes, we have two.

Hon. Mr. Miller: You have two in Schreiber?

Mr. Stokes: One.

Hon. Mr. Miller: One in Schreiber and two in Terrace Bay? You have two more going? Is that right?

Mr. Stokes: Two more going where?

Hon. Mr. Miller: To that area.

Mr. Stokes: I wish they wouldn't. I wish they would go up to Armstrong, Savant Lake, Pickle Lake.

Hon. Mr. Miller: I have 46 doctors right now who have signed a roster to go to Armstrong. Did you know that? I have.

Mr. Stokes: When are they going to arrive?

Hon. Mr. Miller: There are 46 of them. That's one of the commitments we got from the family practice people at their convention two weeks ago. Forty-six of them have signed up to make sure that place is staffed with physicians.

Mr. Stokes: Well, we would be satisfied with one.

Hon. Mr. Miller: You will have at least one all the time. In other words, I am going to guarantee that place has a physician and I think that's a positive move.

Mr. Stokes: Well, that's one community.

Hon. Mr. Miller: Well, you have named that community.

Mr. Stokes: Oh, I am happy that he is going, but one doctor doesn't solve the problem of the north.

Hon. Mr. Miller: Well, sir, I solve them a doctor at a time, don't I?

Now as far as the premium, you and I both know the premium is roughly 20 to 25 per cent of the cost of the programme. It is a method of payment. It is only extracted from those people who can pay because they have taxable income. I suggest my riding and your riding are very fortunate in one sense, and unfortunate in another sense. Unfortunate in that we have a lot of people with lower than average income. Those people, fortunately, are able to get their health coverage in many events free; or in other cases, at half cost.

Mr. Stokes: If they have the wherewithal to travel 347 miles or more.

Hon. Mr. Miller: I have never tried to discount that problem.

Mr. R. S. Smith: That is the difference between his riding and your riding.

Hon. Mr. Miller: Well, my riding still has problems of 75 or 60 miles at times. It's not as bad, I quite admit. I recognize the tremendous problems of distance in the north. It is a fact of life of the north, is it not?

Mr. Stokes: All right. Why don't you do something about it?

Hon. Mr. Miller: I think we are doing a lot about it. That's what I was just trying to say. The very fact we move to allow the teaching—

Mr. Stokes: Why don't you initiate a flying doctor service?

Hon. Mr. Miller: We have a flying doctor service in parts of the north.

Mr. Stokes: Not in the parts that I am talking about.

Hon. Mr. Miller: Again, we have it in parts of the north; and I am willing to keep on looking at these solutions. In other words, I am not turning a deaf ear to what you are saying.

Mr. Chairman: The hon. member for Peel South.

Mr. Kennedy: Mr. Speaker, I would like to ask the minister about the Mississauga Hospital facilities. As he is aware, representations have been made for a number of years to get going with an expansion there. The fact is there has been no expansion in hospital accommodation since 1968, I'm informed by the current chairman of the hospital board, Mr. Eades.

In 1968 we had a population, I believe, of perhaps 150,000 people and we had in the order of 500 beds. There is a need for a couple of hundred more beds, based on the criterion of four per thousand, since the population is now about 222,000.

I acknowledge that we have the Queensway General Hospital, Peel Memorial Hospital and the Mississauga Hospital; in fact, from the west side some patients are admitted to the Oakville Trafalgar Memorial Hospital. But in its total context the population has increased dramatically, and there is this need.

The board has also discussed the future need of a hospital in the Streetsville area, which seems to make sense geographically and according to development patterns. That's on the drawing board, and I understand there is a site available for that.

Really, Mr. Minister, what I'm saying is that, recognizing the constraints we face, nevertheless we seem to be on a critical path and there is a need for some decision with respect to capital funding.

As I understand it, the last figures that were made available indicated a need for about $18 million for the Mississauga expansion alone. It seems to be in a hold position, pending the approval of some phasing-in and annual contributions to fund the project as it goes on.

The news story mentioned here this afternoon indicated that grants were to be sprung loose for this great need. That left us somewhat confused. I'm not sure about the accuracy of such news stories but, knowing our need, I could only take some optimism from it unless I heard differently.

Can you offer any encouragement, Mr. Minister, as to when this very real need might get on the rails and get under way?

Hon. Mr. Miller: Mr. Chairman, the part of my budget that has been most severely constrained, as you know, is the capital side. We have been very aware of the rapid growth in the Halton, Peel and Mississauga areas. I understand there are two proposals for expansion there: South Peel, Missisauga, 200 extra beds; Peel Memorial, Brampton, another 200 beds.

Mr. Stokes: Send them to Ottawa and Windsor. That's what you do in the north; no problem.

Hon. Mr. Miller: To some degree that's part of the solution in that area too, in the sense that Toronto has had a surplus of beds and many people do go into the city for their hospitalization. That has been one of the reasons we've been a litttle slower in these larger growth areas close to the city, than we have been in other areas of the province, in adding to the hospital bed numbers.

At the present time we're planning, subject to the capital being available, to have those two hospitals I mentioned—Peel at Brampton and South Peel at Mississauga—ready to start construction in 1976. That's our current estimation.

As far as Streetsville goes, we are well aware of that. There are discussions going on. A hospital will be required by the late 1970s. Discussions are going on with Housing, who are of course working in that area with their growth plans.

Mr. Kennedy: Would you comment on the accuracy or otherwise of those news stories, Mr. Minister? I think in your earlier comments the operative words were "as funds become available".

Hon. Mr. Miller: I am sure my hon. friend on my side of the House realizes I'm con-

strained to one fiscal year at a time in my capital dollars. For me to predict a year—

Mr. E. W. Martel (Sudbury East): Your planning shows it too. You plan one year at a time.

Mr. Stokes: Ad hoc-ery.

Mrs. Campbell: I thought you had a multi-year plan.

Hon. Mr. Miller: One year is approved at a time. We have a multi-year plan, but at any time I only have the funds for one year. I always add those very careful words at the end, "If the funds that we think we're going to get come, I'll do it." I think I gave you the facts. Peel and South Peel 1976 funds are available.

Mr. Chairman: The hon. member for Riverdale.

Mr. Renwick: Mr. Chairman, I would just like to briefly comment on a couple of matters, and perhaps the minister would help me with it. I somehow have the sensation that the speeches which he has been making across the province, or the lectures he has been giving to the people of the Province of Ontario, about their life styles is designed really to cover up a very serious financial problem for the government which hasn't been spoken about. I dare to speak to this minister about it because he and his colleague, the Minister of Education (Mr. Wells), between them account for, give or take a few dollars, about 50 per cent of the budget of the Province of Ontario.

I think the undisclosed fact, and maybe we'd better start talking about it, is the very point which was made by the Treasurer (Mr. White) in Ottawa in January and by the study which was made about the effect on available funds in the province of the indexing by the federal government of the income tax. I think the thrust basically of what those studies showed, that while there was not going to be a net reduction of revenue to the Province of Ontario, there was going to be a substantial diminution of the rate of growth of the provincial revenues over the period from now through until the Eighties, given an assumption of roughly a six per cent inflation factor for the next decade or whatever the year period was.

If you're going of necessity to have that immense reduction in revenue through the income tax system because of the indexing, then it seems to me that the government of Ontario has to maintain the quality and the expansion of the health care system in one of two ways. You've either got to borrow money, which, of course, is anathema to my friends on the right who like the balanced budget conception of government operation, or you've got to raise taxes, which would be anathema to the government which prides itself that it really doesn't levy any taxes on the people of the Province of Ontario at all, and particularly in an election year. Your other alternative is to do what you're doing, and that is blame the people of the Province of Ontario for the demands made on the health care system. I don't think you can do that. The reason I say you can't do it is, I think, related to a science and a technology of medicine which are developing at a rate which produces demands on the system because of the very advances which are made in the field of medicine.

I think one need only use a very simple example—I don't even know if I can pronounce the words properly—but the kidney dialysis machines which were invented are extremely expensive. Before there were those machines, people were prepared to die because there was no way of dealing with it. Once you invent an expensive piece of equipment, then you project an expectation in people who will make a demand for it, and that expense is going to be an ever-increasing part of the expanding health care system. There must be many many examples of it.

I don't fault the minister with respect to being vigilant about the economic use of the dollars which are available for the health care system. I don't fault the minister about that. But that avoids the problem. I think the best statement of the basic problem that I've seen was recently made by the late R. H. S. Crossman, who had a very substantial governmental experience in the Labour governments in England in the various portfolios dealing with the demands of the social service system, including health and housing and pensions and all the rest of it. He simply said what governments and people in our society have to understand is that for all practical purposes a civilized society is never going to be able to meet the demands made on it for the improvement in the quality of the social services, and particularly in the field of health care.

It seems to me that the government is being a little less than honest when it lectures the people of the province about their life styles and the resulting demands on the health care system, because of the inadequacies of their

life styles. I don't think that is the government's job; it is not there to teach that kind of lesson to anyone. I just don't happen to appreciate that kind of homily.

I think this is what you have to say to the people of the Province of Ontario: "If you want to have an increasing and expanding health care system, if you want to maintain the quality of the existing system, if you want to introduce new programmes, such as dental care, then you have got to be prepared to permit the government of Ontario to have the revenues, either through borrowing or through revenues raised by way of taxation, to provide that kind of health care." You can't talk about constraints on spending for health care purposes, there are too many gaps in it.

All right, I leave that for what it is worth. If I can lay my hands on the Fabian tract, the statement made by the late R. S. Crossman, I will send it across to the minister and he can read it some night. It will take about 10 minutes and it is a very fine statement of the essence of the problem of financing the rising costs of social services in its broad sense.

If the minister doesn't want to read it, he doesn't have to read it. But I suggest it is an interesting contra-view to the view which the minister is taking around the province, and in the statements which he and his advisers are making in various areas related to health care.

Now, let me move to my second comment. I don't happen to believe that one can talk about an adequate supply of doctors in the Province of Ontario unless the distribution is right. I think it is meaningless for me to be told by the minister that the ratio of doctors to persons in the Province of Ontario on a mathematical basis of simple arithmetic is adequate in World Health Organization standards, and then to say: "So it is not really a supply problem that we have, it's a distribution problem."

Well, it's not; it's a supply problem. The minister knows as well as I do, that apart from financial incentives, or apart from this weird scheme of sending 46 doctors week-about up to Armstrong—which is very much second best—it is better than having no doctor. But people like to know the doctor they deal with, and to have confidence in his skills and abilities—and all the rest of it.

I am extremely concerned about the intimation from my friends on the right and, indeed, from some of my own colleagues, on this question of the supply of doctors, and the implicit suggestion that the Province of Ontario must restrict the entrance of doctors from other countries into the Province of Ontario.

I am concerned about that for a number of reasons. I know the arguments about stealing qualified people from other countries. However, that doesn't wash with this government, because in Ontario House in London, England, you have a man who is engaged in stealing highly skilled people—very highly skilled—and sending them to the Province of Ontario, and that is his job. That is the job in which he is engaged. And this province has never for one single moment been backward in stealing high skills from other countries; it has never been backward at all.

I recognize that is a problem. It may be a problem for the country from which the people come. It may be a problem in sense of international relations, but I am very much opposed to restrictions on the free movement of people.

I happened to listen—I don't know whether the minister listened—to Cross Canada Check-up last Sunday afternoon. Robert Andras, the federal Minister of Manpower and Immigration, was on the programme and there were a number of questions coming in about immigration. One of them was with respect to doctors, and the Minister of Manpower and Immigration of the federal government categorically stated that the questions with respect to admission of doctors to practice was a provincial problem, not an immigration problem. It was an immigration problem only with respect to whether or not the prospective applicant could meet the point system.

Incidentally, they gave the minister the test and he couldn't get enough points to get into Canada. He fortunately got here, as most of us did, either us or our forebears, before these silly point systems were introduced into the system.

The two keys to that point system—this so-called non-discriminatory objective test standard system of immigration – are very subjective. One is the opinion of the immigration officer about the capacity of the person to become used to living in Canada. That is very subjective and you get 15 points for that.

The other one is called occupational demand, and that is based on a series of statistical analyses for different parts of the country on the needs for various skills in those parts of the country. The very interesting thing is, of course, nobody ever sees those and nobody is ever told what those are. That is done in the mystery of the point

system. Taking the case of doctors, you cannot go to the immigration office and say to the people there, "I am a doctor who wants to come to Canada. Will you tell me before I make my application where there is an occupational demand and in what region?"

It doesn't help me if the Minister of Health says that he consults with his other colleagues, the Minister of Health at the federal level and the other provincial ministers, and they reach unanimity on this question, when in fact it is the immigration department which sets that point system and you can't get the information. What I would like to know is—forgetting for the moment this question of restricting the flow of people into Canada, and therefore into the Province of Ontario—has your ministry worked out a distribution chart of occupational need for doctors and others in the health field related to the kind of areas that my colleague, the member for Thunder Bay, has been speaking about, and, indeed, other parts of the province? Have you devised a chart where you can say there is an occupational need and where you can say to the immigration people, "We are sending you here our study of occupational need for these professionals in the Province of Ontario so that if anybody applies, then provided the person is prepared to go to that area"—and I recognize the problems of compulsion and making persons stay once they get into a particular area—"we are prepared to have him come into the province"? I just happen to find it a little bit odd for us to suddenly be starting to talk about the protection of highly vested interests of the medical profession about the adequacy of the numbers. I think that is a lot of nonsense. I would have the same fear of it if they were talking about the adequacy of the number of lawyers.

I personally share everybody else's view that it is shocking that there are any number of young people who want to become doctors in this province and can't, because of the inadequacy of the medical school system based upon a restrictive quota operation. I think it was the Minister of Colleges and Universities (Mr. Auld) who gave the figures the other day. I thought I heard him say that there were 8,000 applicants and 500 places in the medical schools last year.

Mr. R. S. Smith: Right. Or 548 places.

Mr. Renwick: Incidentally, unless I am wrong, I don't think there is any medical school in northern Ontario, at the Lakehead or at Laurentian or any of the other universities, and no effort, as I understand it, to establish one.

What I am trying to say to the minister is, don't tell me about what you and the CMA think about the adequacy of the supply. There will never ever be, in the minds of most people in the Province of Ontario, in a province such as this, the adequate supply of doctors of the skills and abilities which this society will need, and I don't think that you can start indirectly imposing benign quotas by sort of saying: "Oh, we all agree that this is the right ratio." It isn't the right ratio.

I would like the minister to give me, in any event, some assurance that he will consult with the Department of Manpower and Immigration, and that he will advise the Department of Manpower and Immigation of the specific occupational needs in various parts of the Province of Ontario for professionals in the health field in its broad scope. So that if a person who is a physiotherapist from Scotland applies to come to Canada, for example, that physiotherapist can be told: "Yes, there is an occupational need for you in some part of the Province of Ontario—go there."

I agree about the problem of mobility of people. You can't guarantee he is going to stay, but you can at least get him there at the beginning. The chances are that a reasonable number of people will stay in such locations if that is made somewhat a condition of their admission to the country—and I think at least for three years or four years—until they obtain their citizenship, that likely would in an indirect way work as a method of correcting the maldistribution of the health service people across the province.

Those are basically the two things that bother me. I think the minister is being less than honest with the people in the province about the revenue squeeze of the provincial government, which is quite a legitimate point to make. You are being less than honest about the fact that you have got to expand and maintain the quality of your health service, and you have to get away from this conception that somehow or other the number of doctors is adequate. I think that in any society where there is the kind of discrepancy that you indicated tonight, such that in the last year or two years the doctors' income is now five to 5½ times greater than the average median income across the Province of Ontario, we are making the wrong decisions by allocating persons in accordance with what they are paid. The only way that a government such as yours can deal with it

is to increase the supply of doctors, not curtail them. And you have to increase the supply of other persons in the professional health fields.

It seems to me that that makes only elementary common sense, and I would like the minister to comment on those aspects of it because it is so extremely difficult to ever put the contrary argument. The minister speaks on platform after platform after platform; the speeches come across our desks, and before long, because we are deluged with it, we think that there isn't any other argument. There is another argument and that is that you have to face up to the fact that yes, our society will continue to demand an ever-increasing share of the provincial revenue for the social services, including health, housing, pensions and social welfare payments of all descriptions.

Mr. Chairman: Does the minister wish to respond?

Hon. Mr. Miller: Mr. Chairman, I have to say with great sincerity that I have listened to the hon. member since I became a member of this House, and I have always been impressed with his ability to clearly state his point of view and with his great breadth of reading and thought processes. I do respect them. At the same time I recall the thoughts that Lyndon Johnson expressed at the height of his anguish in the Vietnam war when people were against it, and he said: "If only they had the facts, they would agree with me." Well, somebody else pointed out that two people can have the same set of facts and come up with opposite conclusions. Perhaps this is why you and I can agree on many of the things you stated and yet conclude different things.

Mr. Stokes: The fact is there is a shortage of doctors in many parts of Ontario. You can't deny that.

Hon. Mr. Miller: I have never tried to deny that fact. I only point out that I can completely agree with the statements you have made about trying to tie the immigration of a doctor to Canada to a need in an area. That is exactly what I am trying to negotiate with the federal government. At this point in time they haven't been listening to any of our arguments in that direction and we simply have to find the mechanisms. They have now admitted, at least to us, that this is the point we have to negotiate. So we don't have any disagreement there.

The interesting thing, though, is that when we've gone around and made this inventory at the places where we've needed the doctors, and we have done that to the best of our ability—whether it has been properly done or not can be argued, but we've done it better than most people—we've found that 80 per cent, I am told, of the doctors who've been willing to take the positions in those areas have not been immigrants. They have been Canadian-born doctors who have filled the posts where we've needed them most. I think that's rather reassuring rather than just the opposite. I think it's rather reassuring that our own people have been willing.

I was at the University of Toronto a few months ago and I was discussing this issue of whether the government had the right, in their eyes, to tell a young student graduating in medicine where he should practise. I asked them two questions. The first was do we have the right to impose a limit on the doctors coming into Canada? The hands went up unanimously. I think one could predict that.

Mr. Renwick: Vested interest.

Hon. Mr. Miller: Sure. At the same time, I asked them whether they thought I had the right, once the state had basically paid for a great part of their education—

Mr. Stokes: Precisely. I'll bet you it's over $200,000.

Hon. Mr. Miller: Again, you and I would agree.

Mr. R. S. Smith: You have the right for a certain period of time to tell them where to go.

Hon. Mr. Miller: We're not disagreeing here at all. I posed this question to them: Do you feel I have the right, or the state has the right, to tell you where you can practise for a period of time? To my shock, more than half the hands went up saying I did have that right. To me, that was a reassuring thought. These young students may change their minds. Their ideals may evaporate very quickly, but at that point in time they were willing to say that there was this right—

Mr. Martel: The first year.

Hon. Mr. Miller: —that they did owe the province that educated them something in return.

Mr. R. S. Smith: Well, let's impose that right.

Hon. Mr. Miller: I'm saying to you I have been trying, rightly or wrongly, to get an

environment that would permit me to do some of these things. That is why I gave so many speeches this summer and why sometimes I got tired of saying the same things. The fact remains that I do not believe that you or I or any other government can do things which, in the final analysis, people do not accept as being necessary. Would you agree with that?

Mr. Roy: How long does the PR go on though? Lawrence said the same thing, Potter said the same thing and now you're saying the same thing.

Hon. Mr. Miller: Okay, I think you can say that with some justification. I don't know whether I'm going to win that battle or not. I'm quite honest with you. Strangely enough, I will need the opposition's help just as much as I will need other help.

Mr. Roy: We have been saying the same thing, that you're headed for bankruptcy. We've been saying that for a while.

Hon. Mr. Miller: I do think, with great respect, that I'm not trying to slough the blame off on the people by saying we're out of shape. I'm pointing out to them that, if they look at world statistics and see who has the greatest incidence of premature death in the world, the United States and Canada lead the pack, that we are the worst in the so-called civilized countries. I think that if we went to some of the countries where elementary health control measures haven't been enforced, this is not true. I'm talking about the so-called civilized countries. We lead the pack because we are in the worst shape.

Mr. Stokes: Because everybody doesn't have a swimming pool like the minister.

Hon. Mr. Miller: Oh, that's baloney! I don't have a swimming pool, by the way. I use the YMCA for $75 a year, and you can come over there without a bathing suit any night with me, and we'll share the wealth.

Mr. Stokes: Why don't we have some exercise time?

Mr. Chairman: Order, please.

Mr. Renwick: You can't say that we're all dying off, and then tell us that our major problem is that everybody is aging in our society.

Hon. Mr. Miller: Some of us in this room have faced the edict of a physician who says you've got to do this or else. I think at least a couple of us can look at each other and say we've faced that. When that happens we do suddenly realize those things are important.

Mr. Renwick: Have you got your licence back yet?

Mr. Stokes: Is that why they revoked your flying licence?

Hon. Mr. Miller: That's exactly it.

Mr. Renwick: Have you got it back?

Hon. Mr. Miller: No.

Mr. Renwick: Stop those abuses you've been practising.

Hon. Mr. Miller: Which ones do you think I'm practising.

Mr. R. S. Smith: Mr. Chairman, it's ironical that I'm the next speaker after some of the comments that have just been made by the minister. I'm one of those who may have cost his system about $10,000 over the past 12 months.

Mr. Renwick: You were worth it, though.

Mr. R. S. Smith: Yes, I think the money was well spent.

Mr. Roy: Look at the shape he's in. He's been campaigning in Carleton East all day, and look at him.

Mr. R. S. Smith: I was down there in Carleton East today to look around, but that's another question.

I would like to comment basically on two things. The first is in regard to the distribution and/or the availability of medical practitioners across the province. The fact of the matter, regardless of what the minister says, is that we have been over the last 20 or 25 years net importers of medical practitioners, that that's where we're wrong. We're not wrong in having those people from other countries able to come in and practise medicine in this province. I agree with the hon. member for Riverdale on that. Where we are wrong is that we are not producing the required number of doctors to service the people of this province. Whether the people stay here or leave, whether we bring them in, whether we have the required number or whether we have the distribution is the question.

But the first question is are we producing our share? Obviously, the answer to that over the past 25 years is that we have not, as one

of the richer countries in the world and the richest province in Canada, produced our share of medical practitioners. Therefore, we have been robbing the less affluent areas of the world to provide services within this province. That's where we are wrong.

I don't say we should stop those people from coming in here to practise, because obviously we are getting people from the lower-income provinces in Canada itself who come here because of the higher payments in OHIP. You know that as well as I. But I believe that we should be producing in Ontario enough practitioners, whether it be in the general-practice field or in the specialties, to provide the services for all the people.

The question then comes down to whether or not we have them distributed across the province on a correct basis. There I agree with you, that if we are going to educate these people within the province, I believe the major costs fall upon all of us as taxpayers, because actually the tuition fees they pay and their personal costs through the six or seven or eight or nine years that they spend are only a portion of the total cost.

I think we should demand an agreement from those who enter medicine that for a period of time after graduation they will practise in those areas of the province to which the government will designate them.

Mr. Martel: That's the whole solution.

Mr. R. S. Smith: I think that's the next step that has to be taken.

If they are not going to do that, then they should be billed for the difference between the cost of their education and the costs they have actually paid through tuition.

So I think there are two different questions there. First, the question of distribution, which I think can be dealt with in that way with our own people. I'm glad to hear the minister say that our own people are those who are willing to go into the underserviced areas, because I feel that it's necessary that we have our own people in those areas. But I would like him to comment on the fact that we do not produce enough practitioners in this province to meet our own needs, and that we are net importers. That is where the problem lies.

The other question I want to discuss is, naturally, the drug programme. Perhaps you would like to answer me now and let me go ahead with that after.

Hon. Mr. Miller: Do you want to discuss that under its own vote or do you want to discuss it now?

Mr. R. S. Smith: We have discussed medical services and hospital services, and everything under this vote. I bring up something else and you want to put it under its own vote.

Hon. Mr. Miller: All I can say is when we have finished we can say all the votes have been covered.

Mr. R. S. Smith: That's fine, when we have finished tomorrow night, we will say that all the votes have been covered.

Hon. Mr. Miller: That's fair enough by me.

Mr. R. S. Smith: Do you want to comment on my remarks?

Hon. Mr. Miller: Sure. I find very little to disagree with in what you are saying in terms of the fact that we haven't produced enough physicians. The comment was made that we didn't have a school in the north. We don't; there is no intention of having a school in the north—

An hon. member: Why not?

Hon. Mr. Miller: —and that isn't a slur at the north.

An hon. member: It is.

Hon. Mr. Miller: No, it isn't. The truth of the matter is that when we started looking at the problems of educating doctors in those areas we didn't have the clinical facilities available to give them the experience they had to have. That's why we've encouraged the reverse, though—

Mr. Stokes: You've got a forestry school at the U of T. Where the hell have you got any trees down here?

Mr. Martel: You have a mining school at Kingston and they haven't even got a rock.

Hon. Mr. Miller: The rocks around here, sir, are in your head.

Interjections by hon. members.

Hon. Mr. Miller: The fact is that we can send the students in those other two courses to the areas where they need to go to study. But we cannot, too easily, in medicine.

Mr. Renwick: This is the Toronto-centred region with a vengeance.

Hon. Mr. Miller: We have tried the reverse and I think with some success. I don't know how many of the teaching schools or the medical schools are doing it. Is it three that have programmes of sending their students

into the north? McMaster University; Toronto certainly has some; I think Kingston has some, have they? But we want to encourage more students from the north. We want to give more contact to the north during the learning experience and we are encouraging universities to do just that. But it has not been feasible, from a technical point of view, to have the actual school of medicine in the north.

Mr. Stokes: May I just ask one question in relation to that?

Mr. R. S. Smith: Yes, and then I will come back.

Mr. Stokes: How can the minister justify his last answer when I had a bright young student from Nipigon who wanted admittance to a medical school but was turned down totally last year. He then got an honours course in science and applied to every medical school in the province this spring, but he was turned down by all of them again. Do you know why they refused his application at Ottawa? Because of his academic ability in relation to students from the Ottawa area who had applied.

The minister says we are trying to attract students from the north into our medical schools. How does he justify that answer?

Hon. Mr. Miller: I think I am getting out of my own area; I should stop right here. I can only tell you that I can only encourage them; I have nothing to do with the admission regulations; that is the responsibility of the Minister of Colleges and Universities.

Mr. Roy: Did you have a talk with the Minister of Colleges and Universities?

Mr. R. S. Smith: Granted, the minister has nothing to do with the admission regulations and they may well come under Colleges and Universities. But the minister does have something to do with the provision of medical practitioners—and that is what he hasn't done over the past 25 years. He hasn't made sure that there have been enough practitioners provided to give the service required by the population growth in this province. The minister failed to answer that question; in fact, he avoided it by going off on to the northern Ontario question.

Hon. Mr. Miller: I agree with the member.

Mr. R. S. Smith: What is the minister doing about it then?

Hon. Mr. Miller: I explained all that earlier, sir, while the member was in Ottawa or wherever it was.

Mr. Roy: But the explanation was hardly satisfactory.

Mr. R. S. Smith: Okay. Maybe the minister will recall next week where I was. Since the minister has explained earlier how he is creating all these new places in the universities, I will expect next year that instead of 548, we will have at least a 20 per cent increase to 635 or something like that. Is that what he said?

Hon. Mr. Miller: The member has a great deal of faith.

Mr. R. S. Smith: Well, we have to live on faith. We can't live on past records around here, I will tell you. We have got to look ahead. We can't look back, that's for sure.

Anyway, the other question I have is in regard to the drug plan. I realize it comes on the third vote, just as everything else we have been talking about comes under the second or third vote but not on the first vote, but basically I'd like to say to the minister that I agree with the plan as it is insofar as the provision of drugs to those on the GAINS programme, those on public welfare, those on family benefits and those receiving old age security and guaranteed income supplement.

However, there are two or three things in that programme that are wrong and that are going to be of real concern to this minister in the next few months if he doesn't change them.

The first thing is the formulary that has been set up has been established without any type of variation possibilities. In other words, it is put there and it's said, "That's it until January; right, wrong or indifferent, that's it." No programme can be that intransigent, and basically, that is the way the programme has worked up until now.

Basically, I agree the major problems that you are having with the programme are in respect to compound drugs, and it is better practice if the physician is forced to prescribe the drug individually. I agree with that. But your people should make a difference between a compound drug combining two different substances in the one tablet or formulation, and the ones that are compound drugs formed by the combination of two ingredients in which a medical reaction produces another drug. That's not a compound drug. There are some compound drugs not included in the formulary on that basis, and that is

ridiculous. I realize those are mistakes that have been made and they will be corrected over the next few months, but they should be corrected now and not wait until January.

There is another thing that I feel is obviously ridiculous in this whole thing. You said in February that each prescription for all these people will have to be a signed prescription from the medical practitioner, and the pharmacist will not be able to fill that prescription unless he has that signed prescription. Now, you are really going to scupper the programme with that one. First of all, what you are saying to the pharmacists of the province is that you don't trust them and that they have to have a signed prescription. That is just what you are saying to them. If they have any backbone at all, they will tell you where to get off.

Hon. Mr. Miller: May I just talk on that one point a second?

Mr. R. S. Smith: Okay.

Hon. Mr. Miller: First of all, the signatures in February are still negotiable. But let's look at one of—

Mr. R. S. Smith: Are you making a statement?

Hon. Mr. Miller: I am just saying it is still negotiable.

Mr. R. S. Smith: Oh well, even the thought of doing that is an insult to them.

Hon. Mr. Miller: Oh no, it is not. Look, we have to have an audit trail, and you know it.

Mr. R. S. Smith: Do you think that every patient of every doctor in this province signed something that he got this morning?

Hon. Mr. Miller: We have an audit system. That is why I say we have to have an audit trail and that is why it is still negotiable. For about a year and a half we did not audit our OHIP payments, and we got great criticism from you people for not doing so.

Mr. R. S. Smith: There are other ways of auditing.

Hon. Mr. Miller: We audit on a sample basis now, as you know.

Mr. R. S. Smith: And you can do that on the phone.

Hon. Mr. Miller: All right, that is why I say this is still negotiable. My only desire is to find an acceptable means of auditing the actual delivery of those drugs that was acceptable to the Provincial Auditor. I am not questioning the integrity of the pharmacists in the way you imply it. But let us be honest, experience has shown with the plans that have been operated by the municipalities of Ontario that a great number of pretty dishonest things were done.

Mr. R. S. Smith: Would you like to specify what they were and who the people were?

Hon. Mr. Miller: I have had examples given in front of me by the pharmacists of this province.

Mr. R. S. Smith. Pardon?

Hon. Mr. Miller: I have had examples given to me. I stayed in Sault Ste. Marie one night —I can't name the individual druggist—and a druggist there agreed that this was a problem. He said people came into drugstores who were on municipal welfare for drugs on the old system, and picked up things like toothpaste and other things and said, "Put it through." And they were doing it. And they said—

Mr. Ferrier: Were they doing it?

Mr. R. S. Smith: Obviously you are going to have some abuses. Was it a major abuse of the system? What percentage of abuse was it? Was it higher than that which has taken place in OHIP?

Hon. Mr. Miller: It's an abuse. I am just trying to say to you that because the abuse has occurred—it's not one that might occur—we have to have an audit system. We are spending provincial money. You know why you don't need a signed prescription right now.

Mr. R. S. Smith: Because your programme couldn't work if you did, that's why.

Hon. Mr. Miller: I mean in the free market. If I come in with a prescription from a doctor, I get the drugs. I give him the money. I've had my audit, haven't I? I am paying for it in cash. But under this present—

Mr. R. S. Smith: There is Blue Cross and all those other plans.

Hon. Mr. Miller: Oh yes, but most of us pay for our own drugs. I still pay for mine. I am not quite eligible for GAINS yet. But the fact remains—

Mr. Roy: Keep it up.

Mr. B. Newman (Windsor-Walkerville): Put him on welfare.

Mr. R. S. Smith: Unemployable but not disabled.

Mr. Chairman: Order, order.

Hon. Mr. Miller: Yes, just not quite disabled. The fact remains we are looking for a mechanism that will satisfy the auditor and not cause undue hardship or imply undue disrespect for the pharmacists. That's one of the reasons that a time delay has been put in. I am not saying that we won't have to do it, but we are very anxious to find something that doesn't make us do it.

Mr. R. S. Smith: I will say that, first of all, even implying that you were going to do it was a gratuitous insult to the profession, as far as I am concerned. And if they didn't take it any other way then I think they are—I haven't been one in this House to protect them to any great extent. In fact, I have been one to be rather critical of them in the past. I think I have gone farther than you or your government in setting up the Parcost programme, for example. You are finally reaching the Parcost programme that I put forward five years ago. You may get there yet, if you just keep at it.

Mr. Roy: Fantastic health system.

Mr. R. S. Smith: The other side of this thing is: if you enforce it, what kind of a bill are you going to get from the medical practitioners of this province for having to write that prescription each time? Is he going to bill you $6.70 every time he writes a prescription for a person under these programmes? What will that cost be to the people in this proivnce? That would be ridiculous, and that may well happen, because the general practitioners and the medical practitioners are not going to stand for that kind of a programme, where they have to sit down and write out each prescription.

Hon. Mr. Miller: The existing prescription is good for at least three months, I believe.

Mr. R. S. Smith: Yes, but are you saying that at the end of every three-month period, regardless of what is to be done by the practioner, he has to call the patient in, see him again, write another prescription and bill him another $6.70?

Hon. Mr. Miller: Has he done that in the past?

Mr. R. S. Smith: No, he hasn't done it.

Hon. Mr. Miller: Look, I take Aldomet. I take it every day of my life. I go and get a prescription about every three weeks.

Mr. R. S. Smith: He hasn't done it and you know he hasn't done it.

Hon. Mr. Miller: I don't see my doctor. He just tells the pharmacist to give it to me.

Mr. Martel: You are a potential drug addict.

Hon. Mr. Miller: He's had the right to charge $6.70 up to date any time I did it. Is he going to charge more just because the province is picking up the tab on the plan?

Mr. R. S. Smith: He is going to charge because he is going to be forced by your regulations to see the patient and do that.

Hon. Mr. Miller: No, he is not going to be.

Mr. R. S. Smith: How is he going to write the prescription otherwise? He can't telephone it, because it has to be a written prescription, and that's what your regulation enforces.

Hon. Mr. Miller: I just finished saying that's not true.

Mr. R. S. Smith: I'm trying to tell you why you have to negotiate it in a proper way, or it's going to cost you a lot of money and it's going to make a farce out of the whole system, which is basically a good system right now.

Mr. Roy: Your best policy is to follow our suggestion and you know that.

Mr. R. S. Smith: The other question that I wanted to bring up in regard to this programme is the 30-day supply business. This is where I'm on the other side of the fence. I want to save you money through the $2.10 or $2.15 dispensing fee. I think there are some drugs on that formulary that you could mark with an asterisk or with some other—

Mr. B. Newman: Identifying mark.

Mr. R. S. Smith: —identifying mark that could be provided on a 90-day supply basis, where your dispensing fee would remain at $2.15 over the 90-day period instead of $6.45. I think this could save you, maybe not millions of dollars, but I think it could save you a few hundred thousand dollars when the programme really gets going and when you start to expand the programme to cover other people, like you and I; which eventually, obviously, you will do. That's going to be

the coming thing, whether it's now or 10 years from now.

Hon. Mr. Miller: I'm pleased to think you believe it will be us who do it.

Mrs. Campbell: Oh, no; the government of Ontario thinks otherwise.

Mr. R. S. Smith: I want your comment on that suggestion, where you can save a considerable amount of money right now by designating some drugs that can be prescribed for 90 days. Turn and ask the doctor behind you if he hasn't prescribed 90 days of drugs for many people over the years.

Mr. C. E. McIlveen (Oshawa): Such as what?

Mr. R. S. Smith: Such as lanoxin.

Mr. Roy: Yes, have you ever heard of it?

Mr. McIlveen: Yes.

Mr. R. S. Smith: Do you agree with that? I could name 20 or 30 without even thinking about it very strenuously.

Hon. Mr. Miller: Can I try to answer that one now?

Mr. R. S. Smith: I am sure Dr. Dyer in front of you can tell you a lot more.

Hon. Mr. Miller: Can I try to answer that now? On the present basis, I'm listening carefully, because first of all we do permit a pharmacist to give a 90-day supply or a 60-day supply at a time if he wishes to, and he can only bill a month at a time. That may seem a bit ridiculous, but he takes a bit of a gamble that the person will be eligible in the next month for the benefit programme. That is his gamble. At the current time the only—

Mr. R. S. Smith: That table at the back—

Hon. Mr. Miller: Just a second now, at the present time the only reason for the 30-day supply is not medical or technical, it is because the eligibility is a 30-day span of eligibility for the drug benefit programme.

Mr. Martel: GWA.

Hon. Mr. Miller: It is approximately a 10 per cent turnover per month. I'm weighing this one. I'm listening to your arguments because there is logic in what you're saying, but I'm just saying this is the current reason for the 30-day eligibility. It's not a question of which drug would fit the 30-day supply basis or which one wouldn't.

Mr. R. S. Smith: Okay, that is fine. I can understand that.

Hon. Mr. Miller: Where you have the 30-day eligibility, but you don't have that with the GAINS people or with those under old-age security. The only ones you have it with, really, are those on general welfare assistance, which aren't covered the same way anyway. They are covered differently.

So I think it can be worked out. I'm just going to point out to you where you're wasting some of the valuable health dollars that might be spent in educating a few more doctors.

Mr. Roy: Or having a dental programme or something.

Mr. Chairman: The hon. member for Kingston and the Islands.

Mr. C. J. S. Apps (Kingston and the Islands): I would just like to take a couple of minutes to enter into this debate for a short time and to comment first of all on the fact that we in Kingston are most fortunate in the numbers and the quality of the doctors that we have there. That is in large measure due to the Queen's University medical school, which brings to our community a large number of very competent and qualified doctors who, I believe, are doing a good job in looking after the people in our community.

Mr. Roy: Is Dr. Haslett one of them?

Mr. Apps: Yes, he is. He is a very good doctor, along with many others. But that isn't what I really want to comment on.

The minister has indicated a great many times over the past few weeks his concern for the costs of health care in the province, indicating that he really only has two ways in which he can control that cost: by the number of doctors who are practising and by the number of hospital beds that are available in the province.

I would like to submit, Mr. Chairman, that there is another way that he can control those costs, and that is by perhaps paying a little more attention to preventive health care. He can do that in four different ways, three of which he never had too much control over and one of which I think he has.

In the first place I think there has to be a much greater emphasis on physical education within our schools than there is at the present time.

Mr. B. Newman: Talk to the Minister of Education.

Mr. Apps: All right. Why I'm bringing this up is that this has a great bearing on the health of everybody as he grows up. I am going to urge the Minister of Health—

Mr. B. Newman: You have the right to convince your own colleagues.

Mr. Apps: —if he would use his influence, bearing in mind the fact that—

Mr. Roy: You should be sitting over there.

Mr. Apps: —the greater number of young people that he can get in good physical condition, the less he's going to have being looked after by the doctors. I think the minister can play a very important part in convincing his colleagues that there should be—as a matter of fact, there must be—more emphasis on physical education within the schools.

Mr. Martel: Look at the shape he is in.

Mr. Roy: Right on, Syl.

Mr. Apps: Secondly, I think the minister will realize that a great many people are sick from lung cancer because, in many cases, people smoke too much. This is common knowledge.

Hon. Mr. Winkler: Right.

Mr. I. Deans (Wentworth): Oh, listen to the guy—a chain smoker.

Mr. Apps: I feel the minister can do a great deal in trying to tell people the costs we have to pay because of excessive smoking.

Mr. Roy: Have you seen this photograph of Bill Davis?

Mr. Apps: That's a very simple statement to make, but it's a true statement to make.

Mr. B. Newman: He looks like physical fitness there.

Mr. Apps: If we're really concerned about the costs of health care, this is one area on which we should be putting more emphasis.

Thirdly, the minister will realize, as his predecessor certainly realized, the fact that a great many people are sick because of excessive drinking. This is one area again where the minister, if he's interested in reducing the costs of health care throughout this province, and I believe he is, must pay more attention to the health hazards created by excessive drinking.

Those are three ways that are sort of peripheral to him. He hasn't got the complete control but in the same way I think he should be interested in it because it is one way in which health costs could be reduced.

Mr. Martel: Or the poor might eat properly.

Mr. Apps: Another point is that there are a great many people throughout the province working in district health units who are crying for more money to do the job that they want to do in preventive health care.

Mr. Roy: How did you like that picture, Syl?

Mr. B. Newman: He could stand some fitness there.

Mr. Apps: It looks like a harmless cigar to me.

Mr. R. S. Smith: But not the person.

Mr. Apps: I had the pleasure, Mr. Minister, this afternoon of attending the opening of the new administration building of the Kingston, Frontenac, Lennox and Addington health unit. I guess it is typical of health units throughout the province. They are trying their best to do a good job in preventive health care.

When we are talking about spending hundreds of millions of dollars to pay doctors or for hospital beds, please don't forget that there is a group of very dedicated people throughout the province who are working very hard to try to keep people from getting sick. I hope that these people don't get lost in the shuffle.

As I say, there are hundreds of million dollars being spent in primary health care. Something should be left over to increase the amount of money that is being given to the various health units throughout the province.

So, Mr. Chairman, there are four ways in which I think the minister can play a very important part in helping to reduce the costs of health care, over and above the two main ones that he has been discussing throughout the province. I think they are very important. I would urge you, and I am sure the member for Windsor-Walkerville will join me—

Mr. B. Newman: You are darn right.

Mr. Apps: —in urging you to take an interest in the physical education of our young people in particular, and to try to make sure that at least they get a good start on the way and maybe as they get older they will continue on.

Mr. Ruston: Not only young people, all ages.

Mr. Apps: I would stress physical health education within the schools—

Mr. Ruston: Don't forget the 40s and 50s.

Mr. Apps: —and campaigns against the smoking and the drinking.

Mr. B. Newman: A little more jogging in our seats.

Mr. Apps: Finally, the district health units throughout the province are trying to do a big job for you but they need your help; they need the funds. If you give them those funds, then you are not going to have to spend nearly as much on the doctors and the hospitals as you are at the present time. Thank you, Mr. Chairman.

Mr. Martel: The member for Oshawa wouldn't like that.

Mr. Chairman: Vote 1801. The member for Cochrane South. I think he spoke on it once.

Mr. Martel: That would hurt, wouldn't it, Charlie?

Mr. Apps: Mr. Chairman, perhaps the minister would like to make just a short comment.

Hon. Mr. Miller: Yes, I was trying to get up before. I couldn't help but agree with all four points. There are very few people in this House who can stand up and make the speech just made by the member for Kingston and the Islands without some degree of hypocrisy in what he said, but I think he is one person who can safely make those statements.

Mr. Roy: What's wrong with the shape I'm in?

Hon. Mr. Miller: I will challenge you to jogging around the block, but I surely won't challenge—

Mr. Roy: Okay, when?

Hon. Mr. Miller: Most certainly, within my own priorities and within the ministry's priorities we put a very high accent on the very things you are talking about. Primary care, preventive care have to be improved. It is a small part of our budget. I don't know if it's six or seven per cent; that's a figure that comes to my mind somehow. Yet I wouldn't want to say that the method by which we deal with the preventive aspects will necessarily remain the same. That's one of the big issues that is being discussed currently as a result of the Mustard study.

Most certainly we have to gear up our preventive health system. I agree completely that the best prevention lies in those first three areas you talked about. As a person who seldom, if ever, smokes, I just find it difficult to believe that people can see the statistics and ignore the cost it is to the system. I saw some figures on the cost to the health system alone of drinking in the province. I think it was $175 million or $180 million a year in direct costs that we can relate; some figure like that.

Mrs. Campbell: You are making a lot of money out of it.

Hon. Mr. Miller: Well, we are making $285 million to $300 million worth of sales. I don't think one should even try to equate the two things. I am interested in what it costs from health rather than any other aspect.

Mr. Roy: How about the example where you said they were out?

Hon. Mr. Miller: Well, we are a private group.

Mr. Ferrier: I thought the minister was going to answer the speech by the member for Kingston and the Islands by one word and say, "Amen."

Hon. Mr. Miller: That is your job.

Mr. Ferrier: That was a very good speech and I have to agree with what he said. We have had a wide-ranging debate tonight about the availability of doctors and whether we have now reached the adequate ratio of doctors to population and the distribution and so on. One thing, I hope the ministry has continued and where perhaps they have some ideas on, is that in some of the outlying areas there were pilot studies as to the role of the nurse practitioner. I think there was one around Geraldton as a result of a study through McMaster University. There was also some discussion at one point of the nurse practitioner doing some of the midwifery role and this kind of thing, and whether perhaps the health care system could be improved if there was a greater role given to the nurse practitioner.

The other point that was briefly alluded to in the speech by my colleague from Riverdale was about some of the other health personnel. I am thinking primarily of physiotherapists and optometrists, because I have had some occasion to have engaged in correspondence

with the minister, and I must say I am pleased with the information he has given me.

I am wondering what kind of studies you are doing to determine the distribution of these two categories of health care personnel throughout the province and what efforts you are making to see that the people of the province are getting adequately served by optometrists and by physiotherapists. In my own community, until just recently we had three. Fortunately, this summer and fall we have now two more. I think we are probably being served okay, but people are waiting three, four and five months for an appointment with an optometrist. I can think of the whole northeastern region where this kind of wait is common and perhaps more acute than we have in the Timmins area.

I am wondering if perhaps you should engage in the same kind of programme for optometrists as you have for doctors and dentists and guarantee them a certain salary if they will go and practise in these areas. Perhaps you should engage in a bursary programme to enable the students at the optometry college, at the University of Waterloo, I believe, to get assistance through school and then direct them to the underserviced areas of the province, and similarly for the other health care personnel and physiotherapists.

In the letter that you sent to me, you say that some of the single girls wanting to leave the Metropolitan area want to go north to some of the adventure up there and then will eventually come back. One hopes that the romantic men of the north will latch on to them and keep them there.

Mr. Stokes: Up where the men are men—

Mr. Ferrier: Up where the men are men.

Mr. Stokes: —and the women are glad of it.

Mr. Ferrier: The minister in his reply seemed to suggest that the men up north weren't the kind of guys who were latching on to them and keeping them there.

The other thing is that the physiotherapist may move up into the north with her husband who was transferred up there for a year or two. Then he will be transferred to another community and the wife, of course, will follow the husband. So there is a great change-over in the city of Timmins. Sometimes we have one physiotherapist, sometimes two, and sometimes we don't have any. In the other smaller areas of my riding there is usually no service at all.

I'm just wondering if you will look at the whole question of how these personnel are distributed in the province and if there is some way that it can be worked out where physiotherapists perhaps will be in private practice or something like this where they could visit the nursing homes, senior citizens' homes and hospitals in an area on sort of a planned basis, whether they can even be attached to the health units. Is this something that has been considered? They could go and do some service in the home.

These are two categories—optometrists and physiotherapists – that have concerned me. People have brought problems to me and I am wondering what you are doing about their distribution. Have we got enough of them in the Province of Ontario? If we haven't, what effort are you making to increase the supply, or how are you hoping to make sure that as far as is possible these kinds of services are provided to the people of the province in as practical and reasonable and realistic a manner as we can expect in Ontario today?

Hon. Mr. Miller: Mr. Chairman, the nurse practitioner, of course, is something we've talked a lot about and we have been doing quite a bit about. There is still some argument about the definition of, and the right to practise and do certain functions that are currently the duty of a medical practitioner only. But I think progress has been made in those areas. The fact that we have courses working now and people being produced is, I think, going to give us a growing number. The Hamilton area has led in this particular part of our training. I think one and possibly two other universities—I'm not sure—Toronto and is it Western too?

An hon. member: And Western.

Hon. Mr. Miller: They are both working in that area. I have real hope that we will have a greater supply of nurse practitioners and that some of the areas where we are experimenting with other forms of health-care delivery—the community health centre concept—permit the nurse practitioner to practise more freely than she can in a fee-for-service office.

One of the problems, of course, that has constrained the total use of a nurse practitioner has been that the federal rule for payment on a fee-for-service basis required that the service be done by a licensed practitioner —the physician who was in fact doing the

billing. It's either made some people break the law or bend the law if they wanted to make full use of allied health-care personnel. This seems to me a ridiculous impediment and one that needs to be worked upon to iron out the problems of health-care delivery. We've gone around it by the other route, trying to encourage the creation of community health centres that could work on a global budget or some other form of payment.

We are told that the overall supply of optometrists coming out of the new university facilities will at least meet our requirements. So I'm optimistic on that. I have to say I have had tremendous co-operation from that group whenever I have had to ask them for some assistance.

We are dealing with the physiotherapists and are studying their problems right now. I believe we are making considerable progress here. We have a number of problems in that area, and yet I am encouraged to think that we are making progress.

The Ontario Council of Health has done a lot of study for us on our total medical manpower needs and continues to advise us in that direction.

Mr. Chairman: The member for St. George.

Mrs. Campbell: I am sorry, Windsor-Walkerville was next on the list.

Mr. Chairman: I am only going by the list here. Are you yielding to Windsor-Walkerville?

Mrs. Campbell: Yes, but I'd like to keep my place right after him, which is what the list said.

Mr. B. Newman: Thank you, Mr. Chairman. I wanted to discuss the problem of the distribution of medical practitioners throughout the province. When the minister says there are sufficient medical practitioners because the ratio is higher than in most jurisdictions, you can probably say exactly that same thing concerning money. There is enough money in the province but it is not distributed properly either. Were you to distribute it properly then you might not have a lot of the social problems that you do have. So you can't come along and say the distribution is really the only problem there.

Now, the member for Kingston and the Islands did mention something concerning physical education and physical fitness, and so forth, as being one of the methods of reducing the total medical health bill. Mr. Chairman, I readily concur with him, because the member chaired the select committee on youth back some eight or 10 years ago which did come down with a lot of constructive suggestions. One of them, to the Minister of Education, was to make physical education compulsory in Grade 13. And what happened? Instead of making it compulsory in 13, they have eliminated it in the school system. It isn't compulsory at all any longer. So you can see how you in the ministry are working at cross purposes with one another. The Minister of Education didn't follow his suggestion. Likewise, you couldn't make recommendations to your cabinet colleague, the Minister of Education, to implement some of his suggestions.

At the same time, you have the Minister of Community and Social Services (Mr. Brunelle) who still permits amateur boxers to engage in their activity without wearing headgear. You would think that you, as a minister, would strongly recommend the compulsory use of headgear when it comes to boxing. The Minister of Community and Social Services has that as his responsibility, yet, he doesn't act on that.

I don't know how many health dollars you could save if that were compulsory, but at least you might save some type of brain damage to our younger folk so that later on in life they might not be confronted with additional medical expenses.

As you can see, Mr. Minister, right in your own cabinet you have colleagues who do not agree with the idea of good health for all of the people of Ontario. You are working at cross purposes with one another.

Mr. Roy: That is why they have policy secretaries, remember, to get all this fused together. It really works well.

Mr. B. Newman: Yes, it did work very well.

Hon. Mr. Grossman: I am glad you were paying attention then.

Mr. B. Newman: Mr. Chairman, I hope that the minister, after listening to the words of his colleague, the member for Kingston and the Islands, does a little more with his suggestions than your cabinet colleague, the Minister of Education, did with the recommendations of the youth committee. Some of them were implemented, but the ones that would have a direct bearing concerning health costs, were not implemented. They were discarded. They weren't considered good enough. I hope, Mr. Minister, that you

seriously consider the recommendations of the member for Kingston and the Islands.

The member was a hockey player. You have hockey violence taking place. Younger folk in this sport are learning from their adults to engage in violence rather than play the good game of hockey. You can see that the Minister of Community and Social Services doesn't attempt to police that—or hasn't attempted to do so in the past. Unless they come along and co-operate with you, you are not going to have the total medical bill reduced at all. I don't think some of these recommendations would reduce it to any great degree, but a penny saved is a penny earned.

I wanted to give to the minister a suggestion that might, and in the eyes of many could, substantially reduce the health costs of the province. The idea is to computerize medical data. I noticed in one of your publications—I think it was the October, 1974 issue of "Pulse"—that you are looking at a scheme for computerizing medical data of the young folk. You call it the CASH programme in your ministry—the computer-assisted school health programme. If it is as valuable as your ministry can foresee, why don't you attempt to implement it? I have introduced a bill on a medical data bank that would make it voluntary. I think if you were to implement some of this, there could be some substantial savings.

Back several years ago a Dr. E. R. Gabriel, who was the director of clinical information centre at the Myer Memorial Hospital, predicted that a computer system is a vital necessity and if not implemented the alternative would be rapid bankruptcy and that it would mean increasing medical and welfare costs. Even medical men see the value of computerizing medical data. You have to start some time and you might as well start now.

I know there is always the problem that you are confronted with, and that is the confidentiality of medical records. This government isn't interested in confidentiality really because it sells—not your ministry, but one of the ministries, the Ministry of Transportation and Communications—all of its data concerning licences to different organizations. If you can come along and sell that, you are divulging information that maybe the individual who owns the vehicle doesn't want divulged.

I don't think you have to worry so much about the confidentiality of this. If you are going to use a number and if you put it on a voluntary basis, then only those who are willing to have their medical records computerized would have it so. But, at least, computerizing would be a substantial savings as far as health costs are concered.

I would like the minister's comments on this and, likewise, if he has intentions of expanding or really implementing his CASH programme, as signified in the publication of his own ministry of October, 1974.

Hon. Mr. Miller: Yes, Mr. Chairman, we do have intentions of expanding the total data collection system within the ministry. In fact, we have very real progress in that direction.

I studied with a great deal of interest, a year and a half ago the change to personal identification numbers for health-care delivery and Chargex-type plates and so on when I was parliamentary assistant. They are part of the kind of system you are talking about too. As for data recovery, we feel we are coming along very well within the ministry. Again last month when the health ministers of Canada got together they talked about the need for a Canada-wide application.

Mr. D. M. Deacon (York Centre): Using the social insurance number?

Hon. Mr. Miller: We came to the conclusion that the only valid number would be the social insurance number. The problems that each province would face in having to implement it in the beginning were related to the availability of those numbers. There was the fact that the federal government controlled them and wasn't willing, in effect, to make deposits of unused numbers available for the province when they needed them on birth and so on and so forth. Certainly progress is being made, apart from that, within the system and we are going to continue toward our computerization.

Mr. B. Newman: Have you set a goal as to when you expect to be computerized?

Hon. Mr. Miller: By some time in 1975 we should be well on our way.

Mr. Chairman: The hon. member for St. George.

Mrs. Campbell: Mr. Chairman, I am not quite sure what our procedures are tonight, because we seem to have been hitting most of the budget. I would be delighted if I could make all of my remarks now and then you wouldn't have to—

Mr. Chairman: I don't think you will be able to tonight.

Mrs. Campbell: Well, I don't know that I will because I really feel that much has been said on various aspects which I am concerned with. I have followed the debate in the matter of the provision of doctors through our educational programmes in Ontario. I must say this, that I would hate to see us chopping off students who might be the very brilliant students of the future simply because we had to maintain a quota system. I don't really believe that we can look at the numbers game in the medical profession as it is related to health services in this province.

I was saying to one of my friends from the NDP, from Thunder Bay, that I can quite understand his concern. I would also point out that when you look at a place such as Metropolitan Toronto, which is supposed to be so very well served by the medical profession, in some areas we still have a most inadequate delivery of health care.

Talking about doctors who don't make house calls any more, it is interesting that we are looking at our health councils, health centres and all these other means of trying to bring some kind of service to people in this area. But, quite frankly, you cannot find doctors, in many parts of downtown Toronto at least, who are prepared to make calls. Very often the way the person gets attention is to get an ambulance and go to hospital. I think there must be something in this that would indicate that perhaps we're suffering a cost that we shouldn't be having to suffer.

I can remember hearing many years ago that China probably had the best approach to the whole health-care field, in that her doctors were paid while the patients were well and then they paid when the patients were ill.

I notice with interest the experiments in the United States at the present time—I am referring to the Kaiser project and the one in Washington, and I regret that in my material I cannot bring forward the quotes at this time that I would like to have brought forward—and that these two, interestingly enough, are operating on the same general principle.

If we want to cut our costs, it seems to me that perhaps we have to look at the total system and not just at a sort of patchwork system which has been functioning, but perhaps not to the overall benefit of the community to the extent to which the funds allocated to it would indicate it ought to be.

Something has been said already tonight about the drug programme. Not being a doctor or a pharmacist, I am not in a position to comment on the expertise relating to the discussion about compounds. But I'll tell you something: Sometimes in my life I feel that these matters have to have a little bit of common sense someplace in the area of the human needs. For instance, a doctor might say: "This is what I want for my patient. My patient is 80-odd years of age and I would like to be sure that she took the various things that she needs to protect her health." When I go in and see that patient, who has five bottles of pills and is having great difficulty remembering which one she took, which one she ought to take and when she ought to take them, it strikes me that perhaps if she's lived to 85 with a doctor's form of prescription, she might be allowed to live out the rest of her days, in that we probably couldn't think that we were making too much of an indent into her health situation by letting her have the comfort of something which her doctor feels is good for her and which she herself understands.

Once more I would like to renew my invitation, Mr. Minister, because I'd love to have you meet some of these people who are sitting there trying to find out, over the course of a day, what pills they should be taking. It's ridiculous, in my view. Since she has survived to the age of 85, I really think we ought to let it go on.

Then I want to know why it is that those medications which are necessary to keep migraine sufferers going have been deleted from the formulary. According to my information this is so; if it is not so, I would like to be able to correct the record. At the very time when people are beginning to recognize the importance of looking at the whole migraine situation, it is a pity if in fact this ministry has overlooked, or lacks concern for, the problems of these people.

I have already asked for clarification in one particular area; I have not received the clarification yet. That is on the matter of the use of phenylbutazone, not as in a compound form. In view of some of the serious problems which I had brought to the attention of the ministry, I would like some comment on that.

It is interesting to me, too, that the member for Thunder Bay was talking about—

Hon. Mr. Miller: We need some clarification on your problem with phenylbutazone.

Mrs. Campbell: I wrote to the member of your ministry who deals with this matter of the formulary concerning this matter and the fact that we had had problems with it without the use in its compound form, that the matter had been drawn to the attention of

the college, and we had asked the college to please make the information available both to your ministry and to anyone else researching the matter. I have not as yet had a reply from your ministry. I hope that I shall. I will be glad to clarify it further if the doctor has not located my letter.

I don't know whether you wish me to launch into the rest of it at this point, as we are approaching the adjournment period, but one of the things that the member for Thunder Bay pointed out was the great distances people had to travel in order to obtain assistance. As I pointed out to you, Mr. Minister, until it was rather tiresome to all of us, with the nine hospitals in my riding it is amazing to me that in one instance, for example, one patient with a broken leg was told to wait five days until they could get somebody to look after her. She went to Hamilton to get the leg set. I am just wondering if the minister will comment on the whole matter of hospital admission policies as he goes through these estimates, because it is very much a matter of concern in my riding.

I would like to say that I have heard the minister say that of course hospital boards are autonomous boards and therefore set policy. It is interesting today that I was in the Toronto Western Hospital, and took a look again at that document which is in that hospital, and of which one of my uncles was a signing member, where the doctors got together to form a hospital. I believe they were paying the sum of $10 down and $5 a month for the operation of the Toronto Western Hospital. I would like to point out that that day has gone; as we can obviously see, and that perhaps we had better look at the question of the so-called autonomy of the boards in connection with admission policies, when so much of the tax dollar is paid for the service on admissions to hospitals.

Mr. Chairman: Would this be a convenient time for the member to suggest the adjournment?

Mrs. Campbell: I would be delighted, sir.

Hon. Mr. Winkler moves the committee rise and report progress and ask for leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report progress and asks for leave to sit again.

Report agreed to.

Hon. Mr. Winkler moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10:30 o'clock, p.m.

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Legislature of Ontario Debates

No. 109



Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Ninth Legislature

Thursday, October 31, 1974

Afternoon Session

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

THE QUEEN'S PRINTER
PARLIAMENT BUILDINGS, TORONTO
1974



Price per session, $10.00. Address, Clerk of the House, Parliament Bldgs., Toronto

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Daily index of proceedings appears at the back of this issue. Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff (Phone: 965-2159).

LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, OCTOBER 31, 1974

The House met at 2 o'clock p.m.

Prayers.

Mr. Speaker: The hon. member for Etobicoke.

Mr. L. A. Braithwaite (Etobicoke): Mr. Speaker, may I present to the House 100 young people from Smithfield Middle Public School in Rexdale. They are here today with their teachers, Ms. Gooding, Mrs. Wardley and Mr. Paton. I would ask the members of the House to join with me in welcoming these young people.

Mr. Speaker: Statements by the ministry. The hon. Premier.

PREMIERS' MEETING WITH PRIME MINISTER

Hon. W. G. Davis (Premier): Mr. Speaker, I thought I might just very briefly report to the House on the discussions that took place yesterday at 24 Sussex Ave. or St.—

Mr. E. W. Martel (Sudbury East): The Premier got there, did he?

Hon. Mr. Davis: Oh, yes, I got there.

Mr. Martel: For higher aspirations, perhaps permanency?

Mr. J. F. Foulds (Port Arthur): Casing the joint for the future?

Hon. Mr. Davis: It was my third visit, as a matter of fact, Mr. Speaker. It is a very delightful spot.

Mr. R. F. Nixon (Leader of the Opposition): Almost as delightful as Carleton East where we're going to be.

Hon. Mr. Davis: I understand the Leader of the Opposition was there during the day—

Mr. R. F. Nixon: I couldn't find a Tory anywhere.

Hon. Mr. Davis: —but not at Sussex Dr.

Mr. S. Lewis (Scarborough West): That's right. I looked for Tories everywhere last night.

Hon. Mr. Davis: I heard the member was there.

Mr. Lewis: I sought them but there were none around.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): They were at home, satisfied at what the result would be.

Mr. Lewis: Don't be too sure, my friend.

Hon. Mr. Davis: I would like to report just fairly briefly. There was, I think, a very constructive discussion with the Prime Minister and with the Minister of Finance. The Minister of Finance gave us a brief resumé from his standpoint of the international economic situation, which is, I think, important to Canada, and then some rundown of the state of the national economy. We explored a number of subjects.

I noticed some of the press reports which indicated that the premiers supported the anti-inflationary policy of the federal government. Mr. Speaker, I don't want in any way to debate how press reports are put together. What I said—and I can't speak for the other Premiers—was that we recognize today, in particular, the very delicate balance that exists between taking steps to curb inflation, and the impact that those steps might have in bringing about a rise in unemployment and, as a result of that, a lack of confidence and the possibility of a recession.

I think that it is fair to state that the premiers, and I am one of them, look with confidence as far as the future of the economy of our own province and that of the country generally is concerned, and that I was not suggesting steps—nor would I here in this House—that would have the effect in trying to combat inflation of reducing the economic activity of this province, because I think we are in a very delicate period.

I personally said in this House three years ago that I don't believe that we had to do things that were part of federal policy, quite frankly. I guess in 1969 and 1970, when we

were going through something of an inflationary period, it introduced measures that then did create higher degrees of unemployment and a degree of economic lack of activity.

I think it is fair to state, Mr. Speaker, that the federal government is concerned about inflation. What, in terms of specifics, might be contained in the budget or matters of government policy, I cannot tell the House because I don't know. There were a number of suggestions from other premiers; I suggested from Ontario's standpoint that in the area of public expenditure capital programmes that were not essential should not be undertaken, and this is a policy, Mr. Speaker, that we have adopted here.

We suggested discussions related to the co-ordination—or, if not co-ordination, some degree of communication—as to the level of public borrowings by the various provincial jurisdictions along with the federal government, and some recognition that this can have an impact on the capital markets and perhaps coincidentally some impact on inflation.

I made, I hope, a very strong suggestion to both the Prime Minister and the Minister of Finance that while some aspects in terms of capital construction as it relates to government institutional building properly should be curtailed, on the other side of it, as far as construction is concerned, there should be additional emphasis with respect to funding for housing. But while some might argue, and I'm not one of them, that there is a fair amount of heat in the construction industry generally, I don't think that is a major problem for us, certainly in the house construction field. Certainly one way to help solve the problem of cost in housing is to increase the supply.

Mr. M. Shulman (High Park): Did the Premier suggest credit controls?

Hon. Mr. Davis: I'll get to that, Mr. Speaker. I am trying to set it out as objectively as I can, because I think it is a very important issue. I sort of look back to our discussions of Monday last and I can't rewrite the rules of the House, but it's really not the vehicle, I think, with 10 minutes or 20 minutes, to get into perhaps more objective assessment of some of these important issues.

Mr. R. F. Nixon: The Premier didn't attempt any kind of an objective assessment on Monday. He had 20 minutes and he used five of them.

Hon. Mr. Davis: I would only say to the Leader of the Opposition that I know he was very disappointed in the lack of response he got to the five suggestions that he made, but I was really looking for something more than that.

Mr. Speaker: Order, please.

Mr. R. F. Nixon: I was certainly disappointed in the Premier's lack of response, because he didn't respond. He can't come in here and say that only he has a serious—

Hon. Mr. Davis: So, Mr. Speaker, I would suggest—

Mr. Lewis: I just flew back with Allan Blakeney, so I am checking your interpretations very carefully. He gave me chapter and verse and I am listening very carefully.

Hon. Mr. Davis: I think we are on all fours so far.

Mr. A. J. Roy (Ottawa East): Did the Premier mention wage and price controls out there?

Hon. Mr. Davis: Well, Mr. Speaker, I did say to the Prime Minister of Canada any national steps he would take, as far as meeting the present economic problems, that would require the co-operation of this jurisdiction, he would get it. Yes, I did say this.

Mr. D. C. MacDonald (York South): If somebody is willing to lead, the Premier will follow.

Hon. Mr. Davis: But I pointed out, Mr. Speaker, that both in terms of the availability of mortgage supply and also in interest rates, if we can increase the supply and do something about interest rates in the field of housing I thought this would have some impact on the cost factor at the moment. I even suggested, as it relates to land, Mr. Speaker, that if the federal government wished to move into a national programme of tax on land speculation that we would opt out of the field if they moved in. We would be quite prepared to do that.

Mr. R. F. Nixon: This government would be very glad to get rid of that.

Mr. Lewis: Yes, I should think so.

Hon. Mr. Davis: Who knows? They may do it; I don't know.

Mr. Lewis: The Premier could offer them his latest redraft.

Mr. Roy: The Treasurer (Mr. White) should be here.

Mr. Speaker: Order, please.

Hon. Mr. Davis: Mr. Speaker, let's be very frank about it. There was some discussion as it relates to consumer credit. The concern I think a number felt—and I shouldn't speak for others, but I feel, as it relates to consumer credit—is that this is an area once again where you get into this very delicate balance of trying to find ways to limit inflation, while at the same time you don't perhaps provoke a psychological situation or a situation where control of consumer spending, as it relates to the need to continue to produce in the marketplace, destroys confidence in the basic economy of this jurisdiction. I can't speak for the federal government, but I don't think that I am prepared to recommend, Mr. Speaker, as far as Ontario is concerned, a major programme that would limit consumer spending.

Mr. Shulman: Then the government can't stop inflation.

Hon. Mr. Davis: I think, Mr. Speaker, the possibility of some programme, which would have to be national, of more savings at this precise moment might be somewhat helpful. But the very delicate area of consumer control on expenditure—

Mr. Shulman: That is copping out.

Hon. Mr. Davis: —or credit, is something that I am sure they are exploring, and once again it will have to be national.

Mr. Lewis: The Premier could be more nebulous. I am not sure how, but he could be more nebulous.

Hon. Mr. Davis: I am trying to be as helpful as I can. I will not quote the Prime Minister or the Minister of Finance. They were not confidential discussions in that sense of the word, but I think it would be improper to say that the concept of control on consumer credit was not explored.

Mr. Shulman: It means 20 per cent inflation next year then.

Hon. Mr. Davis: With respect, Mr. Speaker, I know the member for High Park is a very qualified economist, but I am not prepared to agree to his figure of 20 per cent inflation for 1975.

Mr. Shulman: I will remind him.

Hon. Mr. Davis: Well, we'll see.

Mrs. M. Campbell (St. George): We have more than that in rents now.

Hon. Mr. Davis: Mr. Speaker, I would only say to the member for St. George, if she wants to say we have more than that now, there has been no one in this House, there hasn't been a government in Canada, that has expressed greater concern and has tried to do more about inflation than this government right here. That is true.

Mr. R. F. Nixon: She said in rents.

Mr. Lewis: And done less.

Hon. Mr. Davis: Ask Allan Blakeney.

Mr. Roy: Has the Premier got that in writing?

Mr. Martel: They have done nothing.

Mr. Lewis: I did, and I will tell the Premier what he said. He said no government has done less than this government and talked more about it. He told me that just an hour ago.

Mr. Shulman: The Premier just expresses concern but does nothing.

Mr. Speaker: Order, please.

Mr. Lewis: Expressions of concern don't put bread on the table.

An hon. member: Blakeney has done less.

Hon. Mr. Davis: That's right; he has done less. The member is quite right. They don't have quite the same problem.

An hon. member: They haven't got Morty running the commodity market. That's what's the matter out there.

Hon. Mr. Davis: Mr. Speaker, as it related to some measures in the federal budget—

Mr. Martel: The Premier is speechifying himself to death, but he has done nothing.

Hon. Mr. Davis: —I made one or two observations, once again in the hopes that they would be constructive suggestions for the Minister of Finance. They were not directly related to inflation, but related to some aspects of the Ontario economy. They were related to the resources tax, particularly as it relates to the mining industry so that there will be a degree of stability and, quite frankly, suggested that there be consideration given toward some credit for further exploration and development of the mining industry.

Quite obviously, one or two provinces reported the oil industry as being their prime concern, and properly so. I put the emphasis from our standpoint in the field of mining. I also pointed out to the Minister of Finance, and once again I don't suppose to be an expert in this area, that in the last federal budget there were certain tax incentives, shall we say, given for mortgage or debt investment.

I suggested, Mr. Speaker—and it was only a suggestion—that with the state of the equity market at the moment, the federal government might give consideration to some form of incentive for investment in the equity market, which I think needs some stimulation at the moment.

There were two or three other areas that were mentioned by way of general discussion. I urged the Prime Minister of the country to reconsider the elimination of the milk subsidy. I didn't receive, nor did any of us, any specific reactions or commitments, and I don't think any premier expected that any commitments would be given.

There was also discussion of the timing of, shall we say, the more formal federal-provincial conference, which was mentioned in the Throne Speech, and some items for the agenda were discussed.

That, Mr. Speaker, in as objective and non-provocative way as I can, covers the general area of discussion.

Mr. Lewis: Non-provocative?

Hon. Mr. Davis: I said to the Prime Minister then, and I say it here in the House, that I was encouraged by the fact that he called this meeting—and it was a meeting, not a conference. I found it personally helpful, and it is the kind of thing that I would like to see happen on a more regular basis. It's the kind of thing that I think is helpful to all the provincial premiers and, I hope, to the Prime Minister and to the Minister of Finance on this occasion, because it does give us the opportunity in a somewhat informal, unstructured way to discuss some of the complex issues.

I said to the Prime Minister there, and I have no reservation in saying it here, that I was very pleased he had convened this meeting and that perhaps more discussions of this kind should take place in the future.

Mr. Shulman: Why?

Mr. Lewis: That is called generality run amuck.

Mr. Shulman: The Premier would do better spending his time here rather than wasting it in Ottawa.

ENROLMENTS IN UNIVERSITIES AND COLLEGES

Hon. J. A. C. Auld (Minister of Colleges and Universities): Mr. Speaker, I would like to give the House today the preliminary enrolment figures for the 1974-1975 academic year in Ontario universities and colleges of applied arts and technology.

The universities predict enrolment of 146,062 full-time students, an increase of 4.9 per cent of 1973-1974. The anticipated enrolment includes 14,137 full-time graduate students, whose numbers have also increased by 4.9 per cent. Enrolment of part-time students is expected to increase by 4.6 per cent to the equivalent of 19,440 full-time students.

Those figures include enrolment at the 15 provincially assisted universities, Ryerson Polytechnical Institute and the Ontario College of Art.

In the province's 22 colleges of applied arts and technology, a total of 55,038 full-time students have enrolled in technology, business, applied arts and health programmes. This figure reflects a 6.3 per cent increase over full-time enrolment last year. The figures for part-time enrolment in the colleges are not yet available.

I should point out to the hon. members, Mr. Speaker, that the college and university figures are calculated by different methods, and that the preliminary estimates I have referred to are likely to differ slightly from final enrolment figures. However, I believe the estimates indicate a satisfactory and consistent rate of growth throughout the post-secondary system.

HOUSING PROGRAMMES

Hon. D. R. Irvine (Minister of Housing): I would like to announce to the House today the signing of agreements betwen seven developers and my ministry under the Ontario Housing Action Programme.

Mr. Roy: Let's hear it.

Hon. Mr. Irvine: These agreements cover 3,033 housing units either under construction or to start by December of this year. We anticipate another 6,933 units will be started in 1975, provided certain scheduling agree-

ments are finalized with these developers. The agreements contain commitments for at least an additional 1,792 housing starts by 1976 on lands owned by the developers. One agreement also includes 2,150 acres of housing land for development starting in 1976.

We have concentrated our endeavours in urban centres where cost and supply pressures are greatest. The seven signed agreements are for housing developments in Oshawa, Brampton, Markham, North York, Scarborough, Ottawa, Gloucester township and March township.

The guidelines established for OHAP negotiations with developers suggest a 10 per cent allocation for the HOME programme and 30 per cent for the income range between $14,500 and $20,000, with the remaining 60 per cent having stabilized land prices. In the first seven agreements we have far exceeded those guidelines. Of the 3,033 units to be started by the end of this year, 1,167, or approximately 38 per cent of the total units, will be priced for the HOME programme income range, which starts at $8,000 and goes up to $14,500. The remaining 1,856 units will meet household incomes in the $14,500 to $20,000 income range.

These figures are based on a 30 per cent gross household income expenditure for interest, principal and municipal taxes. We are particularly encouraged by this income mix, which goes much beyond our original objective.

Our goal in these agreements is, first of all, to reduce the price, and secondly, to accelerate completion of these units, in keeping with the original policy established for the programme. In these first agreements the price objective has been paramount. The full range of mortgage, grant and loan incentives for developers and municipalities has contributed substantially to both the final price and the timing of construction.

Through the recently established Ontario Mortgage Corp., OHAP provides 95 per cent first mortgages at 10¼ per cent over a 35-year term. Mortgage money at 9¾ per cent is also available for accommodation marketed under the HOME programme. The impact of the mortgage money is two-fold. First, it helps accelerate the construction and marketing of housing units. Secondly, it also reduces carrying charges, which makes housing affordable to a greater number of people, many of whom are presently in rental or shared accommodation.

The OHAP mortgage arrangements have acted as an incentive to the developers. The construction of housing for moderate income households has been made economically possible, thereby providing developers with a larger market and a greater demand for the finished product. Access to this expanded market encourages accelerated construction at a time when we have, all over, new house sales generally slow. In addition, the financing makes available to smaller developers much needed funds at low interest rates, enabling them to proceed with construction.

The high-ratio first mortgage and the lower mortgage rate are also key components in reducing the overall cost to the purchaser. The five per cent down payment and reduced carrying charges provide the opportunity for housing to a much larger number of our citizens than would otherwise be the case.

Unconditional grants will be made to area municipalities to ensure that local taxes will not be raised to service these new developments. Several loans to regional municipalities are also being negotiated at this time. We feel, Mr. Speaker, that these incentives are being invaluable in achieving an early start for developing new acreage and ensuring that projects can be ready for construction without delay.

The signed agreements provide evidence of our emphasis on family accommodation. For example, Mr. Speaker, the Bramalea Consolidated Developments Ltd. project in Brampton consists of 421 condominium units, of which 386 are two- and three-bedroom. A three-bedroom unit sells for $38,000. With down payments of less than $2,000 and monthly carrying charges of $340, this makes these units a very sound alternative to rental accommodation for most moderate-income families.

Mr. Speaker, I would like this time to discuss the signed agreements between my ministry and the developers. To date, the largest and most comprehensive agreement has been signed with W. B. Sullivan Construction Ltd. and Deltan Realty Ltd., and 1,780 housing units are either under construction or are to be started by this December.

Under the terms of the agreement, 10 per cent of the units will be available for households with incomes of $8,000 to $14,500; 30 per cent of the units for the $14,500 to $16,000 range; 30 per cent for the $16,000 to $18,000 range, and 30 per cent for the $18,000 to $20,000 range. The housing types vary from townhouses and highrise condominiums to single family dwellings, with developments in North York, Scarborough, Markham and Brampton.

Sullivan Construction has undertaken to provide 5,000 additional housing units, in the

same income-range ratios that I have just outlined, on lands which the developer owns. It is our expectation to sign further agreements with this developer.

The agreement with Bramalea which I mentioned earlier provides 421 condominium units in Brampton for OHAP. Negotiations on some of the details have been proceeding for the past several months, but construction has not been delayed and completions are expected for next summer. The units will be priced for the $12,200 to $14,000 income range.

We are looking forward to several more projects with the Bramalea group. In the signed agreement, Bramalea has committed development on other lands under OHAP which should amount to at least 1,900 additional housing units.

Mr. Speaker, we also have an agreement with Minto Construction Ltd. Minto brings 206 condominium units in the city of Ottawa under the OHAP. Construction is now under way. One half of the units are priced for the $14,500 to $18,000 household income group and one half for the $18,000 to $20,000 group. Minto has also committed to the programme—and I think this is most important—an additional unit comprising 2,200 in the Ottawa-Carleton area to be constructed as soon as there is the necessary servicing.

As announced in June, my ministry signed its first agreement with the Campeau Corp. Immediate projects include 135 townhouse units under construction in Gloucester township and 178 condominium units started in March township. These units are priced for the $11,100 to $14,000 income range. The Campeau Corp. has also committed an additional 887 units by 1976 and 2,150 acres for further development under OHAP.

Three agreements have been signed affecting developments in Oshawa. One OHAP agreement is with Tilio Construction Ltd. and Gata Construction Ltd. Two of the projects consist of 92 garden apartments and 58 stacked townhouses. The garden apartments will take care of incomes of $14,500 and less, while the townhouses will be priced for the $14,500 to $20,000 range. We have a commitment to develop 292 units with Tilio Construction Ltd., and we also expect to sign further agreements with this developer.

Mr. Speaker, I want to say to members of the House that not all of our agreements are with the large developers. The agreements we have with Robert Mason Construction Co. Ltd. brings 119 condominium townhouses in Oshawa into this programme, with units priced for the $13,500 to $14,500 income range.

We have an agreement with MT & D development Corp., covering 44 townhouse condominiums in Oshawa. This has been signed. The development is now ready to begin construction. The units will be made available to families with annual incomes from $12,700 to $16,600.

So, Mr. Speaker, up to date, these are the agreements that have been signed. Many of the projects involved have already received municipal planning approval, and I therefore expect full co-operation from the local municipal councils and the people in general. In this connection, I have myself personally discussed the agreements with all the eight mayors involved. I have also committed the ministry to consult with any municipality in the future before further agreements are finalized.

I would like to inform the House, Mr. Speaker, that we are presently negotiating 35 additional developer agreements. Some of these include infill sites in and around Metro Toronto. In this regard I want to say to everyone that we have received a great deal of encouragement for this type of development from both Metro and the boroughs. In the next few weeks, I look forward to announcing to the House further signed agreements.

In conclusion, Mr. Speaker, I want again to say that my ministry is most concerned with providing adequate housing at affordable prices for all of our citizens of Ontario. I believe that OHAP production targets for 12,000 units this fiscal year, and a target of an additional 28,000 units in 1975 can be achieved. I look forward to broad community acceptance of this new housing production programme and to the recognition from existing neighbourhoods of the shared responsibility that we all have for accepting moderately priced family accommodation in much greater numbers than we have in the past.

Thank you.

Mr. Lewis: We'll wait and see.

Mr. Speaker: Oral questions.

The hon. Leader of the Opposition.

HOUSING PROGRAMMES

Mr. R. F. Nixon: I would like to ask the Minister of Housing, further to his statement, how many of the 37 municipalities originally coming under the structure of the housing

action programme are now participating through the agreements announced today?

Hon. Mr. Irvine: How many of the 37 municipalities?

Mr. R. F. Nixon: Yes. Are there now programmes in all of them? Or is the minister still having a problem getting acceptance at the municipal level, although he is now announcing agreements with the developers?

Hon. Mr. Irvine: Well, I have announced that there are eight municipalities involved in these agreements. We are negotiating with the other municipalities and we will have further announcements, though I expect there will be more than 37 involved in the future.

Mr. R. F. Nixon: A supplementary: But didn't the minister say on Oct. 18 that he already had 17 municipalities who had agreed in principle to participate? What happened to them in this announcement? Was it the developers who would not take part?

Hon. Mr. Irvine: Mr. Speaker, I think the hon. Leader of the Opposition should understand that I said I am still negotiating with developers and other municipalities, and the numbers are getting larger every day. The acceptance of the programme is most encouraging to us.

Mr. R. F. Nixon: A further supplementary: Regarding the projection by the minister that there will be 90,000 starts this year, was that projection made with the expectation of the success, such as it is, that he announced today and of other successes that we may hear from him in the next few weeks, which in fact will add 1,600 new housing developments in some area and 2,700 in others? Are those in the 90,000 figure, or is the minister now moving toward closing the gap between the 110,000 needed and the 90,000 that he predicted will take place?

Hon. Mr. Irvine: Well, Mr. Speaker, my estimate of 90,000 units for this fiscal year has to be an estimate only. It is determined to a great degree, I think, by the action that is taken by the federal government. I have been encouraged by the recent statement by the hon. Barney Danson that he will be announcing shortly further incentives to produce housing throughout all of Canada. Hopefully, Ontario will share in those announcements with the funding that I have requested.

With the programmes we have announced, and with the full co-operation of the federal government, the municipalities and the development industry, I would expect we will have 90,000 units.

Mr. Lewis: And that includes the OHAP statement today?

Hon. Mr. Irvine: It includes the OHAP statement.

Mr. Speaker: Any further questions?

Mr. Lewis: May I ask a supplementary? How is it that it is not possible to negotiate with these developers and the municipalities for socially assisted housing as part of that mix? What happens to the great majority of income earners under $8,000 a year, indeed, under $14,500, but specifically under $8,000? Why is it not possible for the minister to negotiate with them for socially-assisted housing at that level?

Hon. Mr. Irvine: Mr. Speaker, under the new initiatives I announced a few days ago, we are actually negotiating with regard to leased land condominiums and leased land rental accommodations, so that under the Ontario Housing Corp. and OHAP we will be negotiating directly with the municipalities, the developers and the people in general.

Mr. Lewis: By way of one last supplementary, as I heard the minister's statement today, in not one of the agreements he outlined nor in any of those that were projected did the minister give any relief for socially-assisted housing to those who earn $8,000 a year or less, or even those earning a little more than that. Surely that's a terrible Achilles' heel in the programme.

Mr. Speaker: Is there a question?

Mr. Lewis: The "surely" was the question.

Mr. Speaker: The hon. Leader of the Opposition.

PREMIERS' MEETING WITH PRIME MINISTER

Mr. R. F. Nixon: I would like to address a question to the Premier. Further to his statement, can he tell us if he is prepared to announce the curtailment of any of his so-called capital construction programmes which he feels—and the government of Canada apparently agrees—are contributing to some extent to the inflationary pressures?

For example, would the $30 million presently being spent at the Exhibition not be considered a capital expenditure that might at least be postponed?

Hon. Mr. Davis: Mr. Speaker, we're prepared to consider any constructive suggestion of any kind. I think the general feeling at the meeting, and the approach that most provinces will take, relates to capital investment that is related, say, to office accommodation or something of that kind. If it means capital investment that might, in turn, result in greater economic activity or employment, I don't think that's the kind of capital investment that the federal people are thinking of, nor is it the kind that we're thinking of. We're thinking here of institutional-type facilities where you don't look for and anticipate some economic activity being generated from it. I think that's generally the area of capital construction.

I think the Minister of Education (Mr. Wells) and the Minister of Health (Mr. Miller), for instance, taking two fields where the government does have some involvement, would say that we have been, for a period of time now, reducing capital construction, or at least it's somewhat more difficult to obtain capital financing. I think this is true at the post-secondary level. Although I didn't have an opportunity yesterday to congratulate the new member for Stormont (Mr. Samis) personally, I wanted to assure him that, while we're very concerned about capital construction, I informed his leader that the commitment was given to St. Lawrence College that when the conditions are met it will be fulfilled.

Mr. R. F. Nixon: Supplementary: Since the Premier has indicated that not only was it his contention at the conference to cut out capital construction, except that which was made as a political commitment, he would also ask the government of Canada to, let's say, sweeten the housing payment programme. Is it not true that, for example, in all of the programmes that have been mentioned, including all of the public housing that we do, there is a huge federal tax involvement? Even the big pipeline that was announced a few days ago contains a federal component. Surely there must be a recognition, as perhaps there wasn't in the statement by the Minister of Housing, that there already is a basic agreement that comes into play automatically when the initiative for housing is taken provincially?

Hon. Mr. Davis: Mr. Speaker, if the Leader of the Opposition wants me to join him in giving major credits to his federal colleagues in Ottawa for whatever they are doing—

Mr. R. F. Nixon: Not major credits. It is a programme that is well known.

Hon. Mr. Davis: —I've never been reluctant to give credit where credit is due. I really don't understand the purpose of the question.

Mr. Roy: There is no evidence of that.

Hon. Mr. Davis: If the Leader of the Opposition is saying that Central Mortgage and Housing Corp. has an involvement in our housing programmes, Mr. Speaker, the answer to that, very simply, is yes.

Mr. R. F. Nixon: They have paid more than half of the province's sewer plan.

Hon. Mr. Davis: I would remind the Leader of the Opposition too that about 40 per cent plus of federal revenues are generated from the economic activity of this province—

Mr. R. F. Nixon: Don't you believe Canadians living in Ontario should pay federal tax?

Hon. Mr. Davis: —and the taxpayers. And if one wants to get into how that's distributed at this precise moment—

Mr. R. F. Nixon: Doesn't the Premier consider himself a citizen of Canada?

Hon. Mr. Davis: —there will be some suggestions flowing from the Treasurer of this province to the finance ministers' meeting on the question of redistribution of taxation. It's been a policy of ours for some years and, hopefully, some day somebody will have the sense and the logic to recognize that the provinces have, I think, a very reasonable request when it comes to distribution. But, Mr. Speaker, I—

Mr. R. F. Nixon: We are assisted 90 per cent for land assembly by federal money.

Hon. Mr. Davis: Yes. Central Mortgage and Housing assists with the housing industry. It assists with our housing programme.

Mr. R. F. Nixon: It assists 90 per cent.

Hon. Mr. Davis: I would only say that I think they have a responsibility to assist in a more significant way, including the reduction of interest rates.

Mr. R. F. Nixon: Supplementary: Is there any indication that we're going to have a provincial programme of significance that is going to reduce interest rates, other than the two small programmes that were announced in the Speech from the Throne, now many months ago? Did the Premier get

the impression, in talking with the Prime Minister and the Minister of Finance, that they are prepared to allocate even more dollars for housing for this province under those circumstances?

I can't help but ask, why is the Premier so critical about the programmes here, but when he goes up to Ottawa and sits down around the big table, the only comment that I got out of the press was that his views are very close to those of the government of Canada? I can't see that. Why doesn't the Premier fight where it counts, rather than just where there's politics?

Hon. Mr. Davis: If the Leader of the Opposition feels that it was the kind of meeting yesterday where the provincial premiers would confront the Prime Minister of Canada on this very basic issue, then all I can say is that's not the way, thank heaven, the other premiers approached this meeting.

Mr. T. P. Reid (Rainy River): It's a long way to go for lunch.

Mr. Roy: Wait until 1976.

Mr. Speaker: Order, please.

Hon. Mr. Davis: Mr. Speaker, if the hon. member for Rainy River doesn't think that these kinds of meetings are constructive and helpful, then perhaps he should communicate those views to the Prime Minister of Canada. I rather think the Prime Minister of Canada found yesterday's discussions at least somewhat helpful in his responsibilities. I would only say to the Leader of the Opposition that I am quite prepared to give credit; I am also quite prepared to state, as I have in this House and elsewhere, that I think the federal government in terms of housing must make more funding available and at reduced interest rates so we can combat the escalation in costs in the housing industry.

Mr. R. F. Nixon: So must we make more funding?

Hon. Mr. Davis: We have.

Mr. Speaker: Supplementary? The member for High Park first.

Mr. Shulman: I wonder if the Premier could enlighten me as to what the effect on inflation would be as a result of reducing interest rates.

Hon. Mr. Davis: I am not sure, Mr. Speaker, in economic terms what the reduction in interest rates does, but one thing it would do in terms of our social needs here—and we are also interested in that—would be to make it more possible for young people, older people or middle-aged people to acquire housing where they don't have this 10 or 12 per cent figure to look forward to over a 30-year period. While he may not agree with this in terms of inflation, I don't think you will see his leader going into any riding in the Province of Ontario and supporting, for housing purposes at least, the present rate of interest that is being charged.

Mr. Speaker: The hon. member for Ottawa East on a final supplementary.

Mr. Roy: Mr. Speaker, my supplementary relates to the debate on inflation in Ottawa yesterday the Premier's statement here today. Part of the federal budget to curtail inflation had been the removal of the federal sales tax on shoes and clothing material. Is there any suggestion on the Premier's part that he might remove the seven per cent Ontario provincial sales tax on clothing and shoes—as Nova Scotia did, I think?

Hon. Mr. Davis: Mr. Speaker, of course we have a somewhat different system as it relates to tax credits here that is not really being developed in other jurisdictions. I think as far as the impact on the average consumer is concerned, the level of taxation here in this province does not appear to exceed that of other provincial jurisdictions.

Mr. Speaker: The hon. Leader of the Opposition.

PROVISION OF DRUGS TO JAIL INMATES

Mr. R. F. Nixon: Mr. Speaker, I would like to ask the Minister of Correctional Services if he has investigated the allegations made by a judge who preferred to remain nameless—

Mr. J. M. Turner (Peterborough): Naturally.

Mr. R. F. Nixon: —on the provision of drugs for the inmates of our jails. Has the minister commented on that before?

Hon. R. T. Potter (Minister of Correctional Services): No, Mr. Speaker. First of all, I find it hard to believe that we have a judge who, if this was brought to his attention, wouldn't bring it to our attention. Secondly, I know it was put in the newspaper but I just can't believe that a judge is so irresponsible that if he felt this was the fact he wouldn't have brought it to our attention.

Hon. G. A. Kerr (Solicitor General): Is it an unnamed jail?

Mr. Roy: Is it a provincial judge?

Hon. Mr. Potter: And then they say the judge refuses to be named and they don't name the jail. I would like to have some information on it, really.

Hon. A. Grossman (Provincial Secretary for Resources Development): It is not even worth commenting on.

Mr. R. F. Nixon: A supplementary. Since the report was in a named and reputable newspaper in this city, and the reference is specifically to jails which come under the direct supervision of the minister, is the minister going to simply make light of it or will he investigate it?

Mr. Roy: Will the minister investigate it?

Hon. Mr. Potter: Mr. Speaker, I am sure the hon. Leader of the Opposition is joking when he suggests that I can investigate something when there is no way of me finding out anything about it because a so-called reputable newspaper made a statement saying that an unnamed judge made charges about an unnamed institution somewhere in the province.

Mr. R. F. Nixon: Oh, yes there is. A supplementary: I think it may be that the minister will give further concern to this when he is provided with the facts available from his own staff. Can the minister assure the House, then, that drugs other than those for medicinal purposes are not being used in the jails over which he has supervision and for which he is responsible to the taxpayers and this House?

Hon. Mr. Potter: Mr. Speaker, I can assure the House that there are no drugs dispensed in any of our institutions by any of our staff—

Mr. R. F. Nixon: Not dispensed—used.

Hon. Mr. Potter: —other than by one of the medical staff.

Mr. Reid: That doesn't answer the question.

Hon. Mr. Grossman: The member knows the answer to the question.

Hon. Mr. Potter: Certainly the suggestion that correctional officers hand out drugs in this province is entirely untrue.

Mr. Roy: That has happened before.

Mr. Speaker: Any further questions?

Mr. R. F. Nixon: The minister's answer is that he will not pursue it in any way.

Hon. Mr. Potter: My answer, Mr. Speaker, is that it is the most stupid question that I have heard asked in this House.

Mr. R. F. Nixon: It is a stupid answer for a minister who expects to get paid, who probably got paid today. By the way, this is payday; that is why they are all here, for heaven's sake.

Mr. Speaker: Any further questions?

Hon. Mr. Winkler: That is why I am here every day.

Hon. Mr. Davis: There were a lot more of us here on Monday on the non-confidence motion that the opposition—

Hon. Mr. Winkler: Did the member see the vote on Monday night?

Mr. Speaker: Order, please.

Hon. Mr. Potter: Mr. Speaker, I would assume that the judges appointed to the county courts in this province would be appointed on the recommendations of probably the Leader of the Opposition, and I am sure that in making these appointments consideration would be given to their qualifications.

Mr. Roy: The minister appointed some Tories.

Hon. Mr. Potter: I am concerned that a county court judge in this province would make such a statement.

Mr. Lewis: By way of a supplementary—

Mr. Speaker: This is the last supplementary.

Mr. Lewis: —if the minister is concerned and if it reflects badly on his ministry, has he thought about having a little chat with some of the people at the paper to find out whether there are any sources available? Presumably not. The minister might as well ask them.

Mr. Speaker: Has the hon. Leader of the Opposition any further questions?

MACKENZIE VALLEY PIPELINE

Mr. R. F. Nixon: In the absence of the Minister of Energy (Mr. McKeough), I would like to ask the Minister of the Environment what backing he has for a statement he made himself in his report from Queen's Park, which

states: "Our new Ontario Energy Corp. is going to participate in the construction of a Mackenzie Valley pipeline to bring down gas from the northern slopes of Alaska and Canada's western Arctic"? Surely the minister should concern himself with a number of aspects of the utilization of that pipeline, particularly in the sharing of the gas with American resources companies and so forth.

Mr. Speaker: Is there a question?

Mr. R. F. Nixon: Is he prepared to state, as a matter of policy, that that pipeline meets with the standards of his environmental ministry, and that's why we're supporting it?

Hon. J. R. Rhodes (Minister of Transportation and Communications): In the Mackenzie Valley?

Mr. Roy: It was referred to directly under the byline of William Newman.

Hon. W. Newman (Minister of the Environment): Which paper was that in? I didn't see it.

Mr. Roy: The minister just signed it. His signature was on it.

Mr. R. F. Nixon: In the Pickering's Bay News.

Interjections by hon. members.

Hon. W. Newman: I would be glad to draw this to the attention of the Minister of Energy and talk to him on it.

Mr. R. F. Nixon: The minister should draw it to the attention of his writer as well to find out just how factual that statement was.

Mr. Speaker: Are there any further questions? The member for Scarborough West.

Mr. Lewis: I just want to ask the minister as a followup, doesn't he think it's a little irresponsible, in terms of the Mackenzie Valley pipeline and all that it implies for Canada and for environmental matters, for him to give that kind of support to a statement made by the Minister of Energy, which is still largely hypothetical and uncertain? Shouldn't he be rather more cautious, as an environmental minister, in what he commits us to?

Hon. W. Newman: Mr. Speaker, I'm very concerned about any pipelines or anything that goes on in the Province of Ontario from an environmental point of view. Don't let the member forget that too. I'm very much concerned.

Mr. Lewis: Without any thought, mindlessly, as long as it is built by the Americans through Canada, the minister will approve it.

Interjections by hon. members.

Hon. W. Newman: Oh, come on now!

Hon. Mr. Grossman: Why does the member for Scarborough West hate Americans so much? Is his mother-in-law an American or something?

Interjections by hon. members.

Mr. Speaker: Order, please.

BEEF PRICES

Mr. Lewis: I have a question of the Premier, if I may. I was tramping around Osgoode township last night speaking to farmers on the question of inflation. I'd like the Premier to perhaps explain this:

What does a farmer do in an area like Carleton East who sells calves at market—I have the bill of sale in front of me—for what amounts to 11 cents a pound, who has cows waiting to go to market for which he can receive on the livestock exchange 13 cents or maybe 14 cents a pound, who sees then in the supermarket advertisements of the same day the meat selling at $1.68 to $2 a pound and doesn't understand the disparity for a moment because he was getting three times that last year? Can the Premier agree to an investigation, on behalf of the farmers and the consumers of Ontario, as this documentation proceeds, into the step-by-step price increases between what is paid at the farm gate and what is charged at the cash register, so that the farmers in Ontario are not driven to the point of distraction by the policies of his government?

Hon. Mr. Grossman: The member for High Park asked that question.

Hon. Mr. Davis: Mr. Speaker, I think the Minister of Agriculture and Food (Mr. Stewart) answered this rather completely as it related to the particular beef problem the other day. I would suggest that—

Mr. Lewis: No, he didn't. He only answered about feeder calves.

Hon. Mr. Davis: —the hon. leader of the New Democratic Party direct this question to the Minister of Agriculture and Food when he is here tomorrow.

Mr. R. F. Nixon: A supplementary—

Mr. Lewis: I have a supplementary, if I may. In order to maintain agriculture at full production in this province in every area, does the Premier not think it makes sense for Ontario to support a call for a Dominion-provincial food bank for this province and this country, which maintains surpluses by paying a reasonable price to the farmers and cans them over time if necessary for both the underdeveloped world and here, but manages to maintain production in the process so agricultural land doesn't disappear and the farmers don't collapse in their own production?

Hon. Mr. Grossman: The member for High Park will answer that for the member.

Hon. Mr. Davis: Mr. Speaker, the leader of the New Democratic Party now has proved to me rather conclusively that he was talking to the Premier of the Province of Saskatchewan, who really presented something of this idea in the discussions yesterday, the question of surpluses or non-surpluses and the question of a food problem in other parts of the world.

Mr. MacDonald: Liberals and Tories have been talking about that since the end of the war.

An hon. member: How about food banks?

Hon. Mr. Davis: Well, food banks or whatever term you may wish to use. But I would think, Mr. Speaker, that probably there will be some suggestions coming from the federal government as it relates to this concept. I can only say from my limited knowledge of the subject—while there may be merit in it—it is not going to solve the problem of agriculture in this province, or in this country.

Mr. Lewis: If we pay stable prices it will.

Mr. R. F. Nixon: Supplementary, Mr. Speaker: Since the Premier indicated that it was in answer to his colleague, the Minister of Agriculture, that the information would be found—does he recall that the Minister of Agriculture said that farmers should be culling their cattle, so at least they would not be carrying over the winter those that would be non-productive? And is he further aware that the price of those culled cattle does not even cover the cost of transportation and insurance in some areas of eastern Ontario?

Mr. Speaker: The Leader of the Opposition is far from the original question.

Mr. R. Haggerty (Welland South): It is right on.

Hon. Mr. Davis: Mr. Speaker, I can only say that I read, and I listen to, and I endeavour to understand what the Minister of Agriculture of this province says on this issue and many others. I have great respect for his point of view; and if that is the point of view that he expressed, then, Mr. Speaker, of course, I would concur with it.

Mr. R. F. Nixon: Whether the Premier understands it or not.

Mr. Lewis: I have a supplementary, but related question. I'll put it as a new question. Surely it is not up to the Minister of Agriculture to investigate the disparity between the farm price and the consumer price. Surely it's up to the Premier to accept such an investigation, and when the—

Mr. Speaker: Is there a question?

Mr. Lewis: —gap grows and farmers reduce production, will he not do that?

Mr. Turner: The member is telling; he is not asking.

Hon. Mr. Davis: Mr. Speaker, I understood the supplementary question being asked was regarding the question of the establishment of a world food bank or a food bank—

Mr. Lewis: No, I said I was asking a separate question about—

Hon. Mr. Davis: —that would relate to the total world food situation, and that this would stabilize the costs here. While I'm not necessarily opposed to that concept, all I'm saying is I don't think that in itself it is a solution to the problem.

Mr. J. A. Renwick (Riverdale): No, that is not it. Don't kid around. The Premier understood what he said and he didn't say that.

Mr. Speaker: Any further questions?

STUDY OF VINYL CHLORIDE

Mr. Lewis: Mr. Speaker, I have a question of the Minister of Labour. To what extent has his ministry researched or asked for information on the vinyl chloride hazards in Ontario, up to this point?

Hon. J. P. MacBeth (Minister of Labour): Mr. Speaker, I'm not certain that my ministry has made any inquiries in regard to it. We have an industrial safety director who carries

on a great deal of work on his own without telling me everything he has asked for. I am not aware whether he has made any requests of the Minister of Health for this information. But much of this information, the member knows, is prepared for us from the medical staff of the Ministry of Health. Now, I'll make some inquiries, but if the member is asking me specifically what information my ministry has asked for in this regard, I can't tell the member. But it may be that our industrial safety director has information on it.

Mr. Lewis: May I ask the Minister of Health what is being done in the vinyl chloride area?

Hon. F. S. Miller (Minister of Health): Mr. Speaker, we are studying the vinyl chloride monomer and the vinyl chloride polymer problems, and I think it's the monomer that's the dangerous one at this point. I had a report on it a week or two ago discussing the Canadian problem versus the world problem. I believe there are different problems depending upon the chemical form that the vinyl chloride is in. Apart from that, I can't give you details except to say I know we are studying it and I'll be glad to get more details.

Mr. Speaker: Supplementary.

Mr. E. R. Good (Waterloo North): Supplementary to the Minister of Health: Has he made representation to the Minister of the Environment to lower the allowable limits, as they did in the United States' jurisdictions last spring on an emergency basis. In Ontario, the allowable limits were 200 parts per million. It was reduced suddenly to 50 parts per million because of death caused by cancer of the liver in places where people are working with vinyl chloride. Since this minister is responsible for in-plant problems and the Minister of the Environment is responsible for outside the plant, and it's he who set the limits, will this minister not consult with the Minister of the Environment as to whether or not this reduction should not be done? It has been over six months.

Hon. Mr. Miller: Mr. Speaker, I'm not responsible for in-plant or out-plant controls. My job is to advise either minister as to the hazards that exist. I can only tell the minister that we have a set of standards that takes an eight-hour average exposure; and we also have standards for maximum exposure at any one point in time. I believe the member is correct in saying we have recently made these standards more stringent. But again, I'll get the exact data.

Mr. Lewis: I have a question of the Minister of the Environment, if I may; which I'm sure will lead to a supplementary. How is it that Ontario continues to abide at Dow Chemical and B.F. Goodrich, parts-per-million levels of vinyl chloride of a kind which have now been documented internationally as causing irreversible liver cancer, and how is it that we are not moving in this area of occupational health rather more vigorously than hitherto?

Hon. W. Newman: Mr. Speaker, I just came out of my estimates. We have done a complete and comprehensive report of all the plants in the Province of Ontario that handle polyvinyl chlorides.

Mr. Lewis: The ministry hasn't reduced the levels.

Mr. Speaker: Order.

Hon. W. Newman: I will just finish. We have a very comprehensive report which our staff worked on all summer and before that, and we are also having preliminary discussions with the Ministry of Health staff as to levels at this point in time.

ONTARIO'S TRIPLE-A FINANCIAL RATING

Mr. Lewis: One last question of the provincial Treasurer: Why didn't he tell us that there are 19 states of the union which have triple-A ratings in Moody's? Why didn't he tell us that Australia has a triple-A rating? Why didn't he tell us that there are 30 cities, towns and counties rated triple-A; that there are 62 corporations rated triple-A; that, by and large, it's not so tough to get a triple-A rating; and that those countries that don't have triple-A ratings aren't even listed with Moody's as a rated country because they don't deal in the bond market?

Mr. J. R. Breithaupt (Kitchener): It is hardly a place to stand, is it?

Mr. R. F. Ruston (Essex-Kent): The member for High Park has got a triple-A rating.

Mr. Breithaupt: I'll bet that the member for High Park has got a triple-A rating.

Mr. Speaker: Order please.

Mr. Lewis: Yes, and the member for High Park has a quadruple-A rating on the market.

Hon. J. White (Treasurer and Minister of Intergovernmental Affairs): Because my in-

formation, in writing from my officials, is that there are two states and two states only, namely California and Illinois, with triple-A rating—

Mr. Shulman: That is not so.

Mr. Lewis: The officials should look at Moody's for October, 1974. I was intrigued.

Hon. Mr. White: —and that Australia has a single-A rating. I will look into the matter and make a further report.

Mr. J. E. Stokes (Thunder Bay) Back to the drawing board.

Hon. Mr. White: The member's saying so doesn't make it right.

Mr. Lewis: I realize that, but it was the Treasurer's reference to "the world" that bothered me.

Mr. Speaker: I believe that while the hon. minister is on his feet he has the answer to another question.

Hon. Mr. White: I have rather a lengthy reply to a question full of inaccuracies.

Mr. Martel: Really? Well, do it in the proper place if it is a statement.

Mr. Speaker: We'll monitor it, I assure you.

Mr. Stokes: Good for you, Mr. Speaker.

TEACHERS' SUPERANNUATION FUND

Hon. Mr. White: Mr. Speaker, on Oct. 28 the Leader of the Opposition asked a question concerning the payment of funds to the consolidated revenue fund by the teachers' superannuation fund. I should like to take a little extra time answering this question, because there seems to be a misunderstanding about the role of the government in the funding of the teachers' superannuation fund and confusion between their investment policy and the benefits that accrue through their plan.

Basically, the teachers' superannuation commission determines the amount of funds considered surplus to their requirements and these are transferred regularly to the consolidated fund.

Mr. Martel: By the six members appointed by government.

Hon. Mr. White: The relevant Act requires the Treasurer of Ontario thereupon to issue an Ontario debenture for the amount accumulated from time to time. The term of these debentures is for not more than 25 years and not less than 20 years. The rate is set at not less than the weighted average yield to maturity of long-term securities issued or guaranteed by the province and sold on the Canadian public market during the fiscal year preceding the date of the debenture.

For example, the rate on a debenture issued in fiscal 1973-1974 would be the provincial borrowing rate for fiscal 1972-1973 and so on.

In his question, the hon. member referred to a rate of interest of 8.06 per cent, which was the rate paid to the teachers' superannuation fund for $195 million in debentures created during the period April 1, 1973, to March 31, 1974.

I don't think it is particularly productive to compare rates received for funds during 1973 with interest rates that exist today. Obviously in periods of rising interest rates, any interest rate based on the next preceding fiscal year will appear to lag current rates in the market. This, however, is not an important factor if the methods used to determine rates of interest are applied consistently over a long term, because of course the reverse becomes true in a declining interest-rate cycle. The teachers' superannuation fund would then receive a higher rate than those existing under then current market conditions.

Mr. Martel: What millenium will that happen?

Hon. Mr. White: Well, the rates are coming down now, so let's not get too smart.

Mr. Shulman: Who is he kidding?

Mr. Martel: Tell us about the rest of it.

Mr. Shulman: Long-term rates are still going up.

Mr. Lewis: That is just a fantasy.

Mr. Martel: Been adjusting the fund for every year. It has been an expense.

Hon. Mr. White: Yes, the rates are coming down, about a quarter—

Interjections by hon. members.

Mr. Speaker: Order.

Hon. Mr. White: The teachers' superannuation fund will be in existence for some considerable years, hopefully to infinity, and over the long term the effect of interest-rate fluctuations from year to year will not have a

great impact on the fund if the concept referred to above is applied consistently.

A more important part of the hon. member's question requested me to inquire into the circumstances whereby I was alleged to have transferred money to the consolidated revenue fund before the commissioners had given their approval. In actual practice, the funds considered surplus and transferred to the consolidated fund are declared so by the teachers' superannuation commission staff and transferred by them, based on their own cash-flow planning. Interest is paid on these amounts from the day they are received. My understanding is that the commissioners approve an overall cash-flow plan for the year which is then carried out by the staff of the commission.

It should be pointed out that the government has a responsibility to fund any benefits granted under the Teachers' Superannuation Act. The government pays employer contributions, interest on funds deposited or on debentures issued, interest on the initial unfunded liabilities, plus all experience deficiency payments. In other words, the plan is guaranteed by the Province of Ontario. In essence, the rate of interest paid to the teachers' superannuation fund in any one year, for reasons mentioned above, will not materially affect the success of the fund or its prime objective, namely the provision of adequate pension benefits for the province's teachers.

Therefore I cannot agree with the Leader of the Opposition that the teachers are in a position of subsidizing the rest of the taxpayers of the province.

Mr. R. F. Nixon: I would like to ask a supplementary question, Mr. Speaker, with your permission. Is the minister aware that because of the transference of these funds to the consolidated revenue fund—and he has said earlier in this session that he considers them general revenue—the average rate payable on the many millions of dollars that are presently used by the province are even, because of this averaging effect, far lower that the 8.06? It is estimated that the average is even lower than six per cent and it is very difficult for the teachers to consider, having made these payments over the years of their own service which have been utilized as general revenues by the province, and to compare the revenue to their pension plan with that which would be available, let us say, from a private investment.

Hon. Mr. White: Well, sir, the performance of the fund has been very good. Actually, this is incidental because the benefits paid under contract by the employer to the employee are not dependent upon—

Mr. R. F. Nixon: But those benefits could be improved.

Hon. Mr. White: —the rate of interest applying.

Mr. Martel: The fund has never been sound.

Hon. Mr. White: However, I would like to point out that we are paying 8.06 for present receipts. The experience of common stock equity funds in this country has a return of minus eight per cent, whereas in the USA those same funds show an experience this year of minus 20 per cent.

Mr. Shulman: How much is the government paying now?

Hon. Mr. White: Now, if the teachers wanted to go on the same system as OMERS, which is fully funded and where there is no subsidy from the Ontario taxpayers, they should declare themselves to have that preference and thereby permit the government to explore that possibility.

Mr. Foulds: Supplementary, Mr. Speaker.

Mr. Speaker: The member for Port Arthur.

Mr. Foulds: How does the Treasurer justify the term "subsidy" by the provincial government when the provincial government does not contribute to the fund at the same time that the employees do? Can he not see that if it did, the low pensions being paid to those who did their service in the thirties and the forties could in fact come out of the pension fund, as the teachers themselves are willing to do with what he calls a so-called subsidy by the provincial government?

Hon. Mr. White: Because, sir, we put in tens of millions of dollars from the Ontario consolidated revenue fund in addition to the employer's contribution. My hon. friend says that they want to go on the same basis as OMERS—

Mr. Lewis: That means nothing.

Hon. Mr. White: —or detach themselves from these provincial subsidies.

Mr. Lewis: The minister shifts from one to another. The government still owes them money.

Mr. Speaker: Order, please.

Hon. Mr. White: This is not my understanding of their position.

Mr. Shulman: Supplementary.

Mr. Speaker: Well, all right. This will be the final supplementary, but for the information of the members I have added two minutes on to the question period.

Mr. Shulman: Do I understand that the government is currently paying eight-odd per cent on funds received? How can the minister possibly justify that when short-term funds are 10.5 per cent and long-term funds are 11.5 per cent?

Hon. Mr. White: We are paying the amount of interest today that we in fact paid to borrow last year. If interest rates are going up, of course the amount paid is less than the current rates of interest. And when interest rates are going down, the amount paid will be more than the current rates of interest.

Mr. Shulman: But they are not.

Mr. Lewis: They're not going down!

Hon. Mr. White: They are going down right now.

Mr. Martel: Yes, to 11 per cent.

Mr. Lewis: To 8.06 per cent.

Mr. Speaker: Any further questions? The hon. member for Kent.

ACCIDENT ON HIGHWAY 40

Mr. J. P. Spence (Kent): Mr. Speaker, I have a question of the Minister of Transportation and Communications.

Is the minister aware of the concern of citizens in the vicinity of No. 11 interchange, Highways 401 and 40, where there have been a number of accidents this year? The latest one occurred this morning; two school children were killed and another school child was seriously injured, as well as a pet, while they were boarding a school bus.

Mr. Speaker, there have been complaints before about this interchange on Highway 401. Would the minister look into this matter and see that the concerns of those people are immediately alleviated?

Hon. Mr. Rhodes: Mr. Speaker, I was not aware of any series of complaints about the particular area that the hon. member referred to.

I was informed this morning of the very tragic accident he has mentioned. Perhaps, for the information of the House, I might relate that at 8:08 a.m. this morning the Ontario Provincial Police detachment at Chatham was called to investigate an accident where a school bus, owned by the Neward Bus Lines of Chatham, was travelling on Highway 40 and stopped to pick up three children on the side of the road. The alternating flashing lights were working on the bus.

A car coming behind the bus slowed down. However, another car approaching in the same direction at a high rate of speed could not slow down, went to the right side of the bus and on to the shoulder, travelled 352 ft down the shoulder and struck the three children. Two of them were killed instantly. I regret to tell the hon. member, because I know it's in his riding, but I was informed a few moments ago that the third child died in hospital as well. The parents were witnesses to this tragic accident, which occurred immediately in front of their house.

Mr. Speaker, I can assure the hon. member and all hon. members of this House that if there's anything I can do that will avoid that sort of tragic accident from occurring, I will certainly do everything in my power.

It is my information, and I did check on it, that there was nothing structurally wrong on the highway; it's a two-lane highway in that area and it was rebuilt in 1972. I did inquire about the various interchanges, and information I have just received indicates that the particular interchanges in no way were involved in the cause of this very tragic accident. But, again, I assure the hon. member I will look into these concerns.

Mr. Speaker: A question from the New Democratic Party? The hon. member for Sandwich-Riverside.

FEDERAL GRANTS FOR GRADE 13 STUDENTS

Mr. F. A. Burr (Sandwich-Riverside): Mr. Speaker, a question of the Premier. Is it true that some five or six years ago, the federal government made available to the provinces special grants to secondary schools for those pupils who are enrolled as post-secondary students? And is it true that Ontario has taken advantage of these grants for the grade 13 pupils in the public schools, but has not applied for them on behalf of the approximately 5,000 grade 13 students in the various private schools throughout this province?

Hon. Mr. Davis: Mr. Speaker, I'm having to tax my memory a little bit, but I think the

agreement probably is still in effect. It provides that Ontario's transfer from the federal government will include grants for 50 per cent of the cost of post-secondary education related to the number of grade 13 students in the public school system of this province. These funds flow directly to the province. They are paid out both in terms of the BIUs of universities and to the community colleges and, of course, the secondary school grants are part of the grant scheme of the Ministry of Education. As I recall it, Mr. Speaker, we have never claimed for students in private institutions.

Mr. Burr: A supplementary, Mr. Speaker: Inasmuch as these grants average about $1,000 per student, and this would mean about $5 million to the families of these students, would the Premier consider applying for these grants?

Hon. Mr. Davis: Well, Mr. Speaker, this issue has been discussed in this House on other occasions, and it really brings into focus the question of tax support—and that's really what it is—for private schools. Perhaps the hon. member doesn't realize this has to be considered as well, but it is part of the issue. It does relate to the general policy of this government, which is still the policy, and that is that for secondary education public support goes to the public school system.

Mr. Speaker: The member for Elgin.

MERCURY LEVELS IN LAKE ST. CLAIR

Mr. R. K. McNeil (Elgin): I have a question of the Minister of the Environment. Could the minister advise the House if there has been any improvement in the level of mercury contamination of fish in the Lake St. Clair system?

Hon. W. Newman: Mr. Speaker, there has been some. I am not exactly sure how much, but I can get the details and report back. I will be glad to take that question as notice.

Mr. Speaker: The member for Ottawa East.

OHC BRIBE CHARGES

Mr. Roy: Could I direct a question, Mr. Speaker, to the Attorney General pertaining to his statement yesterday about the charges against certain OHC employees? In view of the fact that the investigation of this situation has been going on at least six months, why have charges not been laid against the donors—the companies who gave the gifts to the employees—under section 110? I appreciate the fact there is a special onus in that section, but has the Attorney General not sufficient evidence at this date to charge some companies as well?

Hon. R. Welch (Provincial Secretary for Justice and Attorney General): Mr. Speaker, I don't feel I can add anything further to the statement that I made yesterday; in fact I think it would be prejudicial to the investigations which are still under way to add anything further to the statement of yesterday.

Mr. Roy: Well, Mr. Speaker, may I ask a supplementary?

Mr. Speaker: This is the last supplementary.

Mr. Roy: It pertains to the same section 110 and the statement the Attorney General made some time in May about a company called Diblee in Ottawa. Why has that donor of the gifts to two employees of the Ministry of Transportation and Communications who were convicted not been charged?

Hon. Mr. Welch: Mr. Speaker, that is not technically a supplementary question to the main question. However, I think the hon. member is entitled to an answer.

The hon. member, as a former assistant Crown attorney, would know something of the reputation of the Crown attorney in the regional municipality of Ottawa-Carleton. Mr. Cassels has completed a very thorough investigation and is satisfied on the basis of his investigation that there is insufficient evidence to justify a charge against either the company or officers of the company.

Mr. Speaker: The member for Port Arthur.

SALARIES FOR SPECIAL EDUCATION TEACHERS

Mr. Foulds: A question of the Minister of Education. Welcome back!

How does the minister justify the rather arbitrary practice, as reported in the Globe and Mail on Sept. 19, which has carried on the last two years by the school management committee headed by his assistant deputy minister, Frank Kinlin, of imposing a salary schedule on special education teachers in the Ontario government provincial schools after a rather ritual form of consultation with their negotiators? Is the minister going to do the same thing this year?

Hon. T. L. Wells (Minister of Education): Mr. Speaker, I don't really feel I need to justify it. It is something that has gone on; it was going on when I became minister of this department. I might tell the member that I wrote a letter, which I signed yesterday, to some of the representatives of these teachers which indicated to them that we were prepared to negotiate the contract with them next year in a full and open way, with some procedure to finalize those negotiations if they couldn't be reached amicably. I've told our people on the school management committee to work out the procedures for doing it. In other words, next year we will negotiate the contract with those teachers.

Mr. Speaker: The Minister of Housing has an answer to a question in the few moments that are left.

Mr. Foulds: Supplementary to this, if I may.

Mr. Speaker: One last supplementary.

Mr. Foulds: Could the minister, in going through those procedures, plan to give those teachers a form of recognized bargaining, either a unit associated directly with one of the established teachers' federations or a bargaining unit within the CASO, and does he not think—I hope in his instructions to his management committee—it would be well to tell them that the teachers in the special schools for the deaf, emotionally disturbed kids, and so on, should have at least equal working conditions and wages with teachers of comparable boards in southern Ontario?

Hon. Mr. Wells: Of course, one of the problems that has to be worked out is what is the negotiating unit, because at the present time it is a very nebulous thing. There is a certain committee, which doesn't necessarily represent all the teachers, that has been meeting with the school management committee.

Mr. Foulds: That is because the minister hasn't allowed them to sign up.

Hon. Mr. Wells: So that will be part of the details that will have to be worked out so negotiations can be carried on. I really don't think, however, that these people have in any measurable way suffered through the present arrangement. I think they are entitled to negotiate, but I think that the salary schedules are probably better than those for teachers in the same areas where they are teaching. They are probably as good anyway.

Mr. Speaker: The Minister of Housing.

LOTTERY FOR HAMILTON HOME LOTS

Hon. Mr. Irvine: Mr. Speaker, I have an answer for the member for Wentworth (Mr. Deans). His question:

> Will the Minister of Housing investigate three areas of the lottery currently being conducted in the city of Hamilton under the HOME programme?
>
> No. 1. That there has been misinformation given out by one, Mr. Taylor, on behalf of the HOME programme to those who are inquiring about the programme. That Settlement Corp. has withdrawn from the development. Settlement denies this. That Shelley Construction has withdrawn from the development. Shelley denies this. And thereby depriving a number of those people from the opportunity of choosing either of those two builders as a result of having to submit their request in the last two or three days.
>
> No. 2. Whether or not the present method of the lottery which limits those individuals making application to a particular builder, thereby limits the opportunity for them to receive adequate, full-range particulars of the 750 HOME lots available.
>
> And No. 3. Will he draw all the names of all the people who have submitted applications and given them an opportunity on the basis of priority number to take part in future developments under the HOME programme in the area.

Mr. Speaker, I would like first of all to thank the hon. member for Wentworth for drawing his concerns to my attention about the HOME lottery. He is quite correct that the one employee misinterpreted some comments and passed on the information that at least one builder might be withdrawing from the programme.

This is incorrect, as no builders are pulling out. As best as we can determine, several dozen people received this faulty information, which I am very sorry for. Both Shelley Construction and Settlement Corp. are still in the programme. The original advertisement listed all the builders; and again this coming Saturday we will be advertising a list of all firms —including the two mentioned. As the lottery deadline is not until Nov. 12, I think this will provide ample time for all people to understand what the lottery is about and to clear up any past misunderstanding.

In reply to his second question, the member is not correct in stating the present lottery method limits individuals and does

not provide them with a full range of particulars on all houses being offered. Interested individuals have an opportunity to review all designs and house types for the number of lots at the information centre. We have staff on hand to answer questions and provide copies of designs. After the people have looked at all the offerings, they select the builder they prefer, and they submit their application to the trust company. The trust company will conduct the selection of the buyer.

The member also asked if all the people who submit applications would be drawn and given priority numbers, which could be applied to the future home offering. We have considered this, but we feel it is not as fair as the system we have at the present time. We feel the method we have at the present time—having regard to our very mobile society our changing incomes and our changing economic situation—gives everyone an equal opportunity every time there is an offering. Therefore we are going to leave it as it is.

Mr. Breithaupt: In view of that statement by the minister could I ask a brief question of the Minister of Revenue, Mr. Speaker?

Mr. Speaker: Okay. We will allow one.

No, I think not. I thought it was a supplementary

Mr. Lewis: He should ask one.

Mr. Speaker: The question period has been extended beyond the extended time now. The oral question period has expired.

Petitions.

Presenting reports.

Hon. Mr. Auld presented the annual reports of the following: the Ontario Arts Council for the year 1972-1973; the Ontario Educational Communications Authority for the year 1972-1973; the financial report of the University of Waterloo for the year ended April 30, 1974; the financial report of the University of Toronto for the year ended April 30, 1974; and the financial report of Ryerson Polytechnical Institute for the year ended March 31, 1974.

Mr. Speaker: Motions.

Introduction of bills.

Orders of the day.

Clerk of the House: The 19th order, House in committee of supply.

ESTIMATES, MINISTRY OF HEALTH
(continued)

On vote 2801:

Mr. Chairman: Last night when we finished, the member for St. George (Mrs. Campbell) had the floor.

Just before we start, I might say that I have had a request from members that when we pass this vote and start on the next vote we deal with it item by item, because they are very distinct and there are some members who want to speak on one item and they don't care to speak on the whole vote.

Mr. J. R. Breithaupt (Kitchener): Mr. Chairman, that was the point I was particularly going to make. It would appear that the initial comments had been made by the critics and those interested in speaking in a general area, so that if we now agree to follow through on the votes I think we have a more orderly approach in the development of the estimates today and the next day they are heard.

Mr. Chairman: We will have to finish vote 2801 as we started out. I think nearly everyone has had their say on it now and we have rambled all over it.

Mr. E. R. Good (Waterloo North): Vote 2801?

Mr. Chairman: Yes, we are still on vote 2801. The member for St. George.

Mrs. M. Campbell (St. George): Mr. Chairman, in view of that fact and in view of the fact that I had already commenced to make my observations and remarks on later votes, I am prepared to yield.

The only thing I would like to have clarified is at what point in time the minister will be replying to those questions which have gone before? Having embarked upon some of these discussions that take place later, will we have assurance—and if we have assurance, in the light of what has gone on in this House I wonder if we could get a performance bond from this government to indicate that we could rely on their assurances—that we would at some point get the answers to these questions?

Could I have clarification as to the minister's position? Is he going to answer now or is he going to answer those items which occur later as they may come up in sequence?

Hon. F. S. Miller (Minister of Health): Mr. Chairman, I am absolutely shocked by the comments of the member for St. George to

bring into this amicable discussion an overtone of political bias.

Mrs. Campbell: A political bias is right.

Hon. Mr. Miller: A performance bond!

Mr. S. Lewis (Scarborough West): It was an outright accusation.

Hon. Mr. Miller: I almost rose on a point of personal privilege.

Mrs. Campbell: Mr. Chairman, if he had read Hansard, he would know the things to which I make reference.

Hon. Mr. Miller: Mr. Chairman, I think that I have been answering almost all of the speakers, except the critics of the two parties who spoke at the time of the initial discussion. At that point I thought we were going to proceed in a relatively orderly fashion through the votes. We apparently are going to do that. If you recall, my reasons for not answering them was simply that I thought some of their points would arise during the point-by-point discussion and therefore not need reamplification.

I did make some notes last night, as you were speaking, on the problems that you were talking about. It seemed to me you were talking about compound drugs. You were talking about drugs for migraine headaches specifically. I have here somewhere some specific information on the drugs you were talking about.

First, I am assured there are drugs in the formulary for migraine and I was shown the specific drug in the formulary last night. I can get for you the name of it shortly if you want it—it's Gynergen, or something like that. If Dr. Dyer is nearby he could perhaps sit down in front of me.

The second thing that you had written us about was phenylbutazone and you were alluding to the fact that we would not allow phenylbutazone to be sold with another compound, another drug, which as I recall you said last night acted in combination with phenylbutazone. Again, I am going by memory, but the other compound in that material was a buffering agent.

Now I don't know how good your chemistry is, but a buffering agent is a compound added to maintain the pH at a constant level as the quantity of the ions of the acidic or basic type change in the drugs that had been administered.

Interjection by an hon. member.

Hon. Mr. Miller: Well that's what it used to be. When I taught chemistry, that's what they were for.

Mr. Chairman: Maybe we could leave all discussion about drugs until we get to vote 2803. We have drug abuse services under item 5 and we will deal with drugs all you like then.

Mr. J. Dukszta (Parkdale): Item 1.

Mr. Chairman: Item 1 in vote 2802?

Mr. Dukszta: Vote 2801.

Mr. Chairman: Okay; the hon. member for Parkdale.

Mr. Dukszta: Right, thank you. I would just like to make a couple of remarks and put a question to the minister on the physician-patient ratio. We went over it in some detail yesterday but there are a couple of points that need to be made.

I think when you quote a physician-patient ratio for the whole of Ontario, it misses a number of important points. They need to be brought out since you tend to use this particular ratio as an explanation and a rationale for a series of actions which I suspect you propose to take. I think we should look at the physician-patient ratio in the city of Toronto; and I would ask you very specifically on this whether you have done it this way.

The overall ratio is I think one physician to —what?—600 patients, if I am correct. Could you tell me if your ministry has specific ratios for the city of Toronto, the inner city of Toronto and also whether there's a ratio which you can provide me for the north, for the country and so on? Have you done it in as much detail as that?

Hon. Mr. Miller: The ratio I gave of one physician to, I think 545 to 550 of population —this is varying all the time, of course—was for the entire Province of Ontario and took all of the registered physicians in the Province of Ontario into account. It was not done on a geographic basis. I have seen studies done on geographic bases and I believe we could give you the data you are talking about.

Mr. Dukszta: I think there is a difference between a big city like Toronto and, obviously, the north. It is meaningless for us to talk in terms of this ratio as if it applies equally to everyone, because it's obvious in the more expensive suburbs of Toronto the ratio is going to be much lower. The func-

tional ratio, may be, let's say, one physician to 400 patients, while I predict that the ratio in some rural parts of Ontario, including the north, may go as much as one physician for 2,000 of population. It becomes perfectly meaningless to talk this way and yet on this very ratio you are basing a statement that we need fewer physicians.

I would like to pick you up on that most of all because you are assuming that we will have enough without allowing for the fact that there is not an egalitarian spread of the availability of health services all over the province. I'll give you again an example, and repeat what the member for Thunder Bay said, that in spite of all the efforts the government has made to send the occasional physician up north, the overall ratio is just simply not good enough. The availability is not good enough and the access is not good enough, which means that some people never get the value for the dollar they pay in their OHIP premiums. The people who live in Toronto get a better value for their OHIP dollar by living here than to those who live up north.

Surely it is your responsibility, before you cut down on physicians—whether they are ones we produce or the ones we import—that you should take into account that the health-care service now available is not equal. It is extremely inferior in parts of the inner city. It is inferior up north and in parts of rural Ontario, while it may be of almost extremely superior quality for some people in the suburbs, middle-class individuals, professionals and so on.

Until you take this into account, you cannot really go ahead and say we have enough physicians. Instead of being concerned with this you should surely be concerned with providing extra services for the north.

You did not really answer yesterday, Mr. Minister, what you propose to do to generally improve this availability instead of merely playing with it. As you say, you have assurance from the College of Family Physicians that 49, I think you said, will go up north. That's piddling around there. Could you try to answer?

Hon. Mr. Miller: Mr. Chairman, we talked about this at great length, as you know, yesterday. I at no time implied that I liked the distribution, but I think you shouldn't fall into the trap, nor should I, of assuming that some of the myths or common statements made about the supply and availability of physician care in this province are, in fact, accurate. I think you are in a very dangerous position when you say there isn't service in this area or there isn't service in that area, or there is too much service here.

In our study of the responses to the Mustard report, one of the first things we asked a team of people to do was to start to corroborate or determine whether some of the assumptions made were accurate. We are finding many of them aren't accurate. We have had some studies done on the usage of hospitals by people in the north and we have discovered, believe it or not, that there is more access to hospital care in many of the more remote areas of the province—I don't mean the far north necessarily, because you can always find exceptions, but I mean in those smaller communities—than we have in the large cities.

I suggest to you that some of the worst areas of service are in the cities. Contrary to the assumption that we have overserviced we have the ghettos of the cities that desperately need better care, and I am sure you know that. I am sure the member for St. George knows that in her riding some interesting experiments are going on; and also in other parts of the city those experiments are going on.

We are determined to keep on with those experiments until we have found patterns that work, and until we get the availability for the people who have otherwise been left unserviced, even though it was at no cost to them that service would be given.

Mr. Dukszta: Mr. Minister, you are making a good point. One of the things which probably happens up north is that if you have any type of a medical problem, whether it is a problem which could be dealt with on an ambulatory basis or otherwise, you probably tend to get into hospital, because that is the only thing which tends to be available. Actually you are supporting my point that the basic ambulatory type of health care is not really available.

The second point you made is actually supporting much more what I have said, that the inner city of a large metropolitan centre like ours probably is not well provided with total health care. The people who are living in the city tend to use emergency rooms and the outpatient departments of general hospitals. The people who live in Etobicoke and other suburban areas usually do have a family doctor; but the great percentage of people who live in the city don't have a family doctor, which means they use emergency service.

Emergency service is fine as it works, but it cannot really substitute for and is also

much more expensive than direct, available, local, community-oriented health care.

You know how many people have family doctors and how many don't. All the responses you have had through the Mustard report cannot compensate for the basic fact that at least 40 per cent of the people of Ontario don't really have any one physician who they say is their family doctor. Maybe it is 40 per cent or maybe a little less. I know from my own experience.

Just let me give you a biased sample of population—not biased from my point of view, but a biased sample in terms of a choice of population—from my experience when I worked in the Queen St. mental health centre. We conducted a survey of the people who were admitted over a period of two years, from 1968 to 1970 to find out how many of them had a family doctor. We discovered that probably less than six per cent had.

This is a biased sample in that they all largely are poor. But you can extrapolate this and say how many people really have a family doctor, or whether they generally apply to the emergency room or to outpatients for very ordinary health care. This hasn't changed is what you are saying.

Let me follow up this argument. If we apply the same standards, which most of the middle-class people are used to, and to which you are used in terms of health care to everyone in the Province of Ontario, our costs would not be $2.2 billion, if we ever had enough physicians, but would be much more. The only way you solve this financial problem as a government in keeping the costs down to $2.2 billion is by providing inferior health care to easily a third of the population, if not more.

It is the same as when the OHIP was introduced, and they had to pay the 10 per cent that they don't pay now, it acted as a deterrent fee. Many people were not prepared to pay extra dollars to go and see a physician. This way the system was not overloaded.

By keeping the access and availability distorted, as it is now, you are putting a natural valve on the system. Some people will simply not have as good care. This way we don't have to provide it, we don't have to pay for it; and you are keeping the budget at a lower level.

I think you should know that at least a third of Ontario—and maybe I am being very conservative on that point—does not get good health care. It is not as good as we could provide; not as good as you and I can get it because we are from the professional sector of the city of Toronto.

This is where your responsibility should lie—to change the balance between the people who can plug themselves into the system without any problem; who have used the system. They get better value—because it is available to them.

But there are people who cannot plug themselves into the system. This is in the north and in rural Ontario—and in the inner city. It's an inescapable fact that our system does not provide good health care for certain groups; and I don't see you making a major effort in redistributing the availability equally to all citizens and residents of Ontario.

You are still supporting the system which basically rewards people who are able to plug themselves in—whether they are a professional, whether they are highly urbanized individuals, or whether they know people; and that's quite a difference.

Would you try to comment on that?

Hon. Mr. Miller: I really feel that I would be going over the comments I made yesterday. You and I don't agree, of course, on some of the things you've said. We have done more than anyone else in Canada—in fact I would hazard a guess in North America—to alleviate the inequities that are inherent in a rural-urban situation. We have designated the areas that were under-serviced. We have put in alternate payment incentives for physicians going to those areas to give them help. We have arranged to get doctors into most of those areas. We haven't got them into all of them; but of the 40 to 50 that still remain unserviced, I can safely say that we have three times as many physicians under contract in medical schools at this point in time who have indicated by written contract they are willing to serve in those areas.

I feel we have taken a good many steps along the way. Further, we are experimenting with the community health clinic concept throughout the province on a volunteer basis—a non-solicited basis. We have some 40 groups of physicians who have indicated interest. We have some 23 existing experimental groups working. I think these are real steps.

You do not change a system at once. You have many of your own profession unalterably opposed to any change that smacks of what they call socialized medicine—in other words non-fee for service medicine. And yet we have enough people willing to experiment with us, so that we hope to carry out that experiment.

Mr. Dukszta: I respect your point of view. Obviously we disagree on an ideological and a technographical approach to the health care system. But let me just leave you with three

remarks. You are making an effort which I think is basically minimal. You are if you are going to limit the supply of physicians—either the ones from Canada or from outside—or limit in any way their development, or even limit yourself in not building a new school. There is really no basic reason why we should not have a medical school in Thunder Bay, or other places.

I don't buy the professional reasons that state you cannot train a physician up there. They can be trained in a different fashion, which can be made acceptable; but the important thing is they can be trained. There is enough clinical material there to do so. But if you close off those avenues—and I think what I'm saying does not need an answer—then you will have more of a manpower problem to try to solve, even in your own pilot fashion way, than you have at the moment.

Mr. Chairman: The hon. member for Kent.

Mr. J. P. Spence (Kent): Mr. Chairman, I wonder if I'm on the right vote, with regard to the dispensing of drugs by doctors in the Province of Ontario and the programme, as I understand it, that is being carried out. Is this the right vote?

Hon. Mr. Miller: I would think the dispensing of drugs by physicians comes under the drug benefit plan to some degree, and somebody says it is in vote 2803.

Mr. Spence: Thank you.

Mr. Chairman: Item 5, the member for St. George.

Mrs. Campbell: Mr. Chairman, I was waiting with bated breath for the minister to reply to one part of my submission to him yesterday, when I mentioned that he was going around this province indicating—and I think it is a responsible position to take—the effect of the mounting costs of the health programme. I referred to the Kaiser Foundation programme and the Washington programme with a view to inviting him to tell me, if he would, whether there is anything in these programmes which would be of use to him and to us, particularly in the fact that they state there is a built-in incentive for efficiency because the providers of medical care share the financial risks of illness with the patient. I'm sorry that on that particular statement I did not have the reference for that quote.

Perhaps if we're going to talk to people about the cost he might at least invite them to consider some of the alternatives. I wonder if the minister has a comment?

Hon. Mr. Miller: As far as the model of the Kaiser Permanente group does, I understand it's basically a form of capitation payment rather than a fee-for-service payment. We have at least two places—I would say three that I can think of, and my staff will probably remind me of more—that have a form of capitation payment involved. The St. Mary's clinic is in a town where there was a competing fee-for-service basis. There was a certain degree of disagreement between the two groups; ideologically I would think. It's very difficult to say if the capitation basis group is working more efficiently on a dollar basis, but they are getting less per patient per month than the average billing in the province.

On the other hand, I can go to Sault Ste. Marie where we have a clinic that is some 12 years old, and therefore historically gives us a good picture, that has some 43,000 patients attached to it—so statistically it is also a good base—some 30,000 of whom are on capitation and some 13,000 are on fee-for-service basis.

This one has a higher than average capitation cost basis, some 10 per cent to 12 per cent above the provincial average. Now, where do we get into trouble? We literally have a $100,000 bet going with the Sault Ste. Marie clinic. It's built into our contract. That bet is that they will utilize hospitals less than the comparable groups in the community, because to say that they spend so many dollars per patient in doctors' fees per month is meaningless until we relate it to the more costly form of care in the hospital. It looks like they might win the bet; and if they win the bet more power to them, because after all that's what the experiments are about.

Mr. Chairman: Does vote 2801 carry?

Vote 2801 agreed to.

On vote 2802:

Mr. Chairman: Vote 2802, item 1, health protection and disease prevention services. The member for Windsor-Walkerville.

Mr. B. Newman (Windsor-Walkerville): Mr. Chairman, I wanted to ask the minister if he was aware of the Nader group study concerning health hazards in the automotive industry. If this is under the ministry's responsibility, I will continue. If it isn't, Mr. Chairman, I will cease my remarks.

Hon. Mr. Miller: Mr. Chairman, I honestly can't speak with any particular knowledge except to know that that gentleman—it is Ralph Nader you are referring to, is it not? —has shifted his emphasis from the way cars go to the way they are built, I would suspect. But I have seen some very brief references to it, and I am sure the staff will be more familiar with it. Certainly I would think it is properly within our sphere of interest.

Mr. B. Newman: Then may I ask the minister if his officials are looking into some of the claims as to adverse health problems as a result of the auto manufacturing that the Nader group makes? This was a two-year study of the State of Michigan autoworkers, and the group was a health research group. I would assume that what they found as a result of their studies in the US would be applicable to the auto industry in Canada.

They make mention that workers exposed to dirt, dust and smoke have about a 50 per cent greater chance of having bronchitis and heart disease than workers not exposed to these elements. The reason I bring this up is that if the ministry could correct some of the problems in plants then our health bill might be substantially reduced.

A second point they make is that workers exposed to fumes from substances such as molten metal and hydraulic fluids face about a 40 per cent greater likelihood if getting bronchitis and heart disease than those not exposed.

The third point is that foundry workers have a 14 per cent greater chance of having bronchitis than non-foundry workers.

A fourth is that machinists have a 30 per cent greater chance of having heart disease than non-machinists.

A fifth is that coarse-metal finishers have a 70 per cent greater chance of getting heart problems.

In addition to this, the report shows that persons exposed to exhaust fumes from forklift trucks in plants have a 15 per cent greater chance of getting heart disease.

I would assume that if they have that greater chance, in a lot of instances they would actually come down with some of the ailments mentioned.

Does the ministry have any input in the trade or in the factory in an attempt to overcome some of these hazards so that the worker would not be confronted with these perilous in-plant problems?

Hon. Mr. Miller: I can't comment on any of these points taken specifically. I am sure our staff will be interested in the reports. Our role, as you know, is as consultants to labour on any occupational health hazard, and I can't speak to any specific work we have done in the automobile industry any more than any other.

I believe Nader also touched on some of the psychological problems of that industry, if I recall some of the things I read about that report, in that he thought some of the incidence was related to the boring nature of the job as much as anything else.

Also I think if you do some double checking on almost all of our occupational health hazards that are related to lung problems, they are almost always incidents that are related to smoking as well. If one starts looking into the occupational health hazard which is aggravated on the job, it is aggravated in those people who are smokers. I am looking around to see if I am correct; I am being told I am correct.

I have to say that this gentleman has done a great deal in his own way to tackle many institutions in the United States and he has a great credibility with the public. At the same time, I have to suggest that in his very first book, "Unsafe at Any Speed," he was totally wrong on a whole bunch of the comments he made, but they were accepted by a population as correct. I think I would like to be very careful about accepting out of hand his analyses here without having some other people's comments upon them.

Mr. B. Newman: Just to bring this to the minister's attention a little further, Mr. Chairman. I would point out that this isn't a report that Nader himself conducted, but it was conducted by a Dr. Janet Sherman, an internist. So there was a medical person looking into the problem, and all of the information comes from her 43-page report. I would think there would be quite a bit of truth in the comments. There's no mention whatsoever of the effects of cigarette smoking in any of these comments.

Hon. Mr. Miller: Mr. Chairman, I am not going to imply that it is not correct. I simply say that I would like to weigh it because the presence of a medical person as the investigator doesn't necessarily improve my willingness to accept the credibility of the report. I have reports from lots of people who are medical people, offering totally opposite advice on issues before me. I think all of us are subject to certain biases sometimes before we start our studies.

Mr. B. Newman: Well would the minister look into this specific report and have his officials study it? And if it is of no concern at all, that's quite all right.

Mr. Chairman: The hon. member for Yorkview.

Mr. F. Young (Yorkview): Mr. Chairman, I'm not going to start an argument with the minister about Ralph Nader and "Unsafe at Any Speed." The minister didn't specify where the inaccuracies came. One thing we do know is that the Corvair finally had to give up the ghost.

Hon. Mr. Miller: It wasn't safe.

Mr. R. F. Ruston (Essex-Kent): That wasn't the whole reason.

Mr. Young: But that wasn't the whole reason, and it did prove to be an unsafe car.

Mr. Ruston: The Edsel was one that had to go too.

Mr. Young: The minister mentioned a while ago the bet, so-called, that is on between his department and the clinic in Sault Ste. Marie. Since that clinic has been in operation for 12 years, I wonder if the minister can give us any specific figures showing how far this whole field of prevention has been served by a clinic of that kind?

In other words, have we figures for utilization of hospitals per 100,000 people in Sault Ste. Marie, as against other cities of a similar size and nature not served by a clinic of this kind? The clinic at St. Catharines would also serve in some regard along this line, but not as effectively as the Sault Ste. Marie one.

I wonder whether the minister has figures that could demonstrate to us whether this type of organization is acting as a preventive measure as far as health care is concerned?

Hon. Mr. Miller: One of the most difficult tasks we've been faced with has been to get reliable statistics. As I recall, at the present time we have a kind of double-blind study, or whatever you want to call it, going on that uses that clinic versus a clinic practising in Oshawa as a comparative basis. On this basis we're trying to get the very thing you're mentioning; that is, apart from how much we've given to physicians per patient per month, what was the total cost of the health care given to those people in the community?

That's really the essence of the bet. Are they saving money in the more expensive care facilities?

They have had some disappointments. When I visited them, and I have visited that clinic twice, they had just finished a survey of a goodly number of their clients. This clinic does not operate around the clock by any means, but it's open a good many hours per day, and I believe it has service available seven days a week. It has virtually got operating room facilities for many minor things, and certainly for most of the kinds of things that emergency wards see.

Yet when they asked the patients of 12 years' experience where they would go in an emergency, in about nine out of 10 cases it wasn't to them, it was to hospital. That rather shattered them, because the clinic was created at the request of the consumers, through the union, and supposedly with the greatest degree of knowledge about what it had to offer and with long enough time to have accustomed the people to the services available. Yet when the chips were down, the people would not have stopped there with a minor emergency; they indicated they would go right to a hospital. That bothered them, and it bothers me too.

Mr. Young: I presume it would. I suppose it illustrates again the difficulty of changing people's attitudes, particularly where you have a profession which is strongly divided as to its methods of payment. The fee-for-service men think: "We don't want this threat over here." These people say they have a brand new way of doing things. Yet they haven't the full facilities the way the hospitals are supposed to have.

I suppose that kind of brainwashing on both sides takes place all the time. When there's something really serious people still think in terms of going to a hospital where you have a full range of facilities rather than to the clinic.

But if an organization of this kind in fact does cut down on the need for hospital service, then we have some answers. If, also, it can really zero in on the whole field of prevention and do an effective job on the prevention of disease, we have some other answers which we sorely need in this whole problem of escalating health care.

I would hope we have some answers in this field before too long. I would think that in this length of time there should be some knowledge as to whether or not the service in the hospitals is demanded as much as it was before the clinic or as it now is in other areas of similar size.

I suppose statistics are always hard to get on things like this. It takes a lot of time, but

it seems to me this is an emphasis we ought to be making. The whole field of prevention is extremely important.

I'll have more to say about some other things a little later on in one of the other votes, but there are habits and attitudes in our society which, I think, are wrong and must be changed before we can possibly get the kind of prevention we need.

Mr. Chairman: The member for St. George.

Mrs. Campbell: I have really three or four quick points. One, I cannot locate my figures for last year on the expenditure for control of venereal disease; could the minister advise how this figure now relates to that provided for this year.

Secondly, I would like to know whether we have any experience of inquiries in the incidence of tropical disease in this province; and if we have, what we are doing in that area? My information is that this is on the increase in certain areas.

Thirdly, I would like to know whether this minister doesn't feel he should now be looking at the problems which result from the increasing incidence of glue sniffing among our young people. Would he be prepared to discuss this matter with his colleague, the Attorney General (Mr. Welch). As he probably knows, there has been an effort made in the past to deal with this problem through legal channels. Those have failed; but it seems to me, from meetings I've had with police and others recently, that once again our young people are being subjected to this. I would like to know whether we're going to show any concern about it from a health point of view.

Finally, has the minister resolved the problems with the city of Toronto as to the funding for their health programme? Are there ongoing discussions and what precise funding is available at this point? Thank you, Mr. Chairman.

Hon. Mr. Miller: I'm confused on the member's first question. She asked for a comparison of costs of the VD programme in 1973-1974 and 1974-1975?

Mrs. Campbell: Yes.

Hon. Mr. Miller: Don't they show one under S-57, $144,000 this year; $134,000 last year?

Mrs. Campbell: I'm sorry, I don't see that here at all. I have five totals—

Hon. Mr. Miller: Sorry, okay. Those are my figures. Those are the figures. It is $144,000 this year and $134,000 last year.

Mrs. Campbell: For last year?

Hon. Mr. Miller: Second, on the tropical diseases I can't give the member an answer because at present, they are what we call a non-reportable disease. So I don't have any statistics immediately available. If I do get some while we're talking, or have someone give me more information, I'll pass it along.

The question of the mechanism for payments to health units to the city of Toronto and the boroughs has been actively discussed in the last few months. We have had, I believe, a change of postures over a period of seven or eight years, or whatever number of years the discussions have gone on. To begin with, I believe it was the city that was demanding some kind of unified health—

Mrs. Campbell: Requesting.

Hon. Mr. Miller: Requesting.

Mrs. Campbell: We weren't asking for unified health; we were asking that we be considered—

Hon. Mr. Miller: Yes, there was a time, I think, when there were enlightened mayors of the city of Toronto such as the gentleman sitting in the second row over here.

Mrs. Campbell: There were enlightened controllers, too.

Hon. Mr. Miller: Were there enlightened controllers, too? I knew there was a reason for it.

Mr. Chairman: And aldermen.

Hon. Mr. Miller: And aldermen. I really can insult almost everybody at one stroke here, by the looks of things.

In any case, yes, we have had difficulties. To begin with we wanted them to form regional health units for unified programmes across the Metro area. There has always been one faction unwilling to join the group.

Mrs. Campbell: The boroughs, in that case.

Hon. Mr. Miller: Well, at the current time the boroughs are very anxious for this to occur and the city is not anxious for it to occur. We have said that it is one or none.

We talked to them about a two-tier system; for a while it looked as though there would be some progress made in that. That frankly

hasn't fitted in with our philosophy, so we are paying 25 per cent of the health care costs of those units in the city of Toronto right now, vs. 75 per cent where they are in fact on a regional basis.

We have recently asked the previous Premier of the province to look at the whole issue of Toronto Metro government. This is properly within the scope of that study and I think we are best to leave any finalization of our part of it to his study.

Mrs. Campbell: Could I have an answer to the question on glue sniffing? I think perhaps the minister missed that.

Hon. Mr. Miller: I did miss it—I thought we were still on venereal disease. I am sorry, I was giving an answer to your other VD question. The number is 965-3333. I keep giving that VD number.

Mrs. Campbell: Well, I am talking about glue sniffing now. Do I use the same number?

Hon. Mr. Miller: It depends on where you are sniffing it. I am sorry, I can't give you an answer on that. I will try and get some information on it very shortly.

Mrs. Campbell: Well, could I repeat it in part? First of all, would the minister consult with his colleague, the Attorney General, to see whether or not it is possible to come to some sort of resolution which could then go to the federal government in this matter?

We have tried to do this via the legal route only. It has not been successful, but the information I have today from the police, from the youth bureau, is that this is again on a very significant increase; it did fade out for a while. Surely anyone involved in health ought to have some miniscule concern for the health of children involved in this particular habit.

Hon. Mr. Miller: I believe that the Addiction Research Foundation has been involved in this particular area and as I say, I will be glad to get some more specific answers to you.

On the tropical health issue I have a little more information. The Toronto General Hospital clinic for this specific purpose has had an increase in attendance, so obviously there has been either an increase in the problem or more people are aware of the problem. We are talking to the federal government about some increased funding to assist the programme to be expanded.

Mr. Chairman: The member for Parkdale.

Mr. Dukszta: Mr. Minister, you stated in your opening remarks that the way the money is organized now is different from what it was before, so I find it somewhat difficult to compare the figures. But let me quote you some figures and then maybe comment on it.

For this section, promotion and protection programme, in 1971-1972 the budget was $72 million. In 1972-1973 it was $77 million—$77.5 million almost—of which the actual amount spent according to the public accounts was $71 million. In 1973-1974 it was $68.3 million. In 1974-1975 it was almost $77 million.

Is there anywhere else in your budget, a section dealing with this vote which could possibly amplify this figure— augment or increase it?

Hon. Mr. Miller: I can't give you a great deal more information on this at the present time. Again, I'll try to find out if there were some transfers or changes in the basis for comparison over the last three years. OHIP payments related to this programme, of course, are buried in the OHIP budget. In other words, we just haven't any way of separating prevention and promotion charges that are made by doctors on a fee-for-service basis, apart from the funds we have specified here.

Mr. Dukszta: Let me just help you with this. The last item under development of health resources—health resources development plan—is that the one you use for various innovative community oriented projects?

Hon. Mr. Miller: I can give you the breakdown of that last part—it's the $47 million you are talking about, isn't it? The health resources development plan is about $41 million of that. Clinical, applied, operational, and other health research—

Mr. Dukszta: I'm sorry, I missed that.

Hon. Mr. Miller: Clinical, applied, operational, and other health research is about $6 million of it. There is the Banting and Best research fund of $30,000; special training of health personnel, there is a small grant of $7,000; and federal health grants operating fund, which is I think is a place where we put cash—it's like a bank account through which we process federal funds to assist research in Ontario.

I can give you details on any of those parts if you wish them.

Mr. Dukszta: I am going to ask you quite specific questions though.

Hon. Mr. Miller: Okay.

Mr. Dukszta: I understand a couple of days ago you funded the Bay Centre for birth control. Where would the money come from for a project like that?

Hon. Mr. Miller: Yes, the funds for that came through the Women's College Hospital operating budget.

Mr. Dukszta: I see. Now I think you have a department in OHIP which also funds some of the developmental projects in community health. Would you include this under this section?

Hon. Mr. Miller: Let me see now—the moneys were in vote 2801, which has already passed, and the payments to the clinics, etc., would go through OHIP. I am just looking for my detailed section.

Mr. Dukszta: The point I am making, I suppose, is that I don't see much difference between the budget in 1971, 1972, 1973 and 1974.

Now you have said—let me just catch you on it—that your thrust is toward prevention. I would like to know, and I'm giving you an opportunity to boast as much as you want to, exactly how much money you are spending in addition to what you have here on this new thrust. Then I'll ask you very specific questions on a number of projects.

Hon. Mr. Miller: I think we have other places where this kind of money comes up too.

Mr. Dukszta: Could you tell me?

Hon. Mr. Miller: I'm looking at the various detailed figures I have on these pages. For example, of the $6 million, that we transfer in effect to other research facilities, we transfer about $1.4 million to ARF for research. That's apart from a lot of other money we give ARF for other purposes. We transfer $1.8 million to the Ontario Cancer Treatment and Research Foundation, $1 million roughly to the Ontario Mental Health Foundation, $150,000 to the Ontario Heart Foundation and $1.2 million for our own provincial programme of clinical applied and operational research.

At this point, if you have any other questions on that I'll be glad to listen to them.

Mr. Dukszta: You have amplified your answer, but it hasn't changed the amount of money spent per each fiscal year. It is still basically the same for the last four budgets, isn't it?

Hon. Mr. Miller: There is another almost $27 million in transfer payments to health units, which were one of our primary promotional and prevention areas I would think you'd agree.

Mr. Dukszta: I think you said there were 29 new community-oriented projects, if I'm correct, which are pilot, innovative type of projects.

Hon. Mr. Miller: I think it was 23.

Mr. Dukszta: Could you tell me how much money you are spending on those 23 projects, as the first question? Second, maybe you could just list some of them, if not all, to me right now? Another question is what kind of projects are they? Maybe you can describe them.

Hon. Mr. Miller: The figures I'm given here, are one year behind at this point in time. I don't have 1974-1975 figures, according to what I'm looking at here. It was $7 million in 1973-1974 to these 23 groups or their predecessors, $4.4 million the previous year and $2.8 million the previous year to that. It has gone from $2.8 million to $7 million in a two-year time span. The 1974-1975 figure is $10 million approximately.

Mr. Dukszta: About $10 million.

Hon. Mr. Miller: Yes.

Mr. Dukszta: Could you give me then some breakdown on the type of project you are funding? I'm giving you full opportunity to shine.

Hon. Mr. Miller: How many pages would you like me to read?

Mr. W. Ferrier (Cochrane South): Are you going to shine with a pure, clear light?

Hon. Mr. Miller: I will sing it with you; will you lead?

Mr. Chairman, I can go through this stuff, but I just question whether I'm going to make any of us sound any the wiser at the end of it. I would be glad to share it with the member—it is voluminous—on a point-by-point basis, naming the type of payment mechanism, the method of reports, the number of doctors involved, the location and when the contracts expire.

Mr. Dukszta: Well, maybe describe the nature of them. Are they all sort of community health centres?

Hon. Mr. Miller: Not all.

Mr. Dukszta: Do they all have a physician or physicians in charge or involved in it? Or are there any which have no physicians in them?

Hon. Mr. Miller: I would have to look at the list to see. I have the number of physicians shown in each area. I have the VD clinics in quite a few municipalities—and I think they all have physicians. Let's see; yes. Again, I could show you the number of physicians in each one, if you wanted to see them.

Mr. Dukszta: No, it's not really what I want. Has each of them got a physician—that's what I'm asking?

Hon. Mr. Miller: Let me see if I can find any without one. The Springhurst community health centre is in your riding, isn't it?

Mr. Dukszta: Yes; and it has physicians in it.

Hon. Mr. Miller: It has two of them. One of them I taught, by the way.

Mr. Dukszta: That is indeed to your credit; but I'm not sure it's fully relevant.

Hon. Mr. Miller: I notice, by the way, for your interest, a number with nurse practitioners in them, as well as physicians—in case that should interest you.

Mr. Dukszta: Yes, it does interest me.

Hon. Mr. Miller: But to this point, I haven't seen any without a physician. I can't find one at this point; but I will be glad to keep thumbing through the list. All right, here's one that's supposedly physician-supported without a physician in the clinic—the Beardmore community health centre.

Mr. Dukszta: Could you give us some information about that particular one?

Hon. Mr. Miller: I can read you a page of information, if you'd like me to.

Mr. Dukszta: Yes, please.

Hon. Mr. Miller: "The community of Beardmore is a forest industry-supported town that has been on a decline over the last 20 years"—and so on. I think we'll go down to the point where we're in medical care. Here it is:

> There is one full-time physician in Beardmore. He is 65 years of age and is pledged to remain in the community until 1975. A new ambulance has been based in the community for the past year. The driver and attendants are local volunteers. Periodic visits are made by a public health nurse from Geraldton. The frequency varies and activities are limited almost entirely to schools.
>
> The hospital is a two-storey building one-half mile outside of the town. It was previously operated by the Red Cross. It has been judged unsafe by the fire marshal.
>
> In April of this year the Red Cross stopped operating the hospital and they have continued operating it as an emergency out patient service only, with two RNs and one RNA in the existing facility. It is proposed to maintain these services as is for at least 12 months.
>
> There is a local nurse who, after taking the nurse practitioner programme at McMaster, is willing to work in Beardmore; but it will be some short time before she's finished her course.

There's a lot of other minor detail; but that's really what it says.

Mr. Dukszta: That sounds like an excellent project. I will come to the point—and maybe this was all preparation. A couple of months ago I got involved with the coalition of health-related services. I think Miss Caroline Egan has been involved in this. They met with one of your deputies, Mr. Buckley—and I understand they are going to meet some time next week with Dr. Aldis.

Now, as I say, it's a coalition of various community-based services which are related to health care. Some of them have a physician involved with them who is in charge. Some of them have a rotating or a visiting physician, and some are associates with a physician, and some have no physician at all.

Let me take just a few minutes to tell you of the list. There are groups called: Adjustment into Society; North York Birth Control and VD Information Centre; Hassle Free Clinic; Smokers Anonymous—though I think that one is no longer with them—Tribal Women's and Children's Health Centre; Scarborough Community Health Clinic; and a support group in the coalition I mentioned, Smokers Anonymous; and Toronto General Hospital Health Support Workers, which is part of the Department of

Psychiatry paid for by the Toronto General Hospital.

Of this group, only one, I think has a physician in it. That's the women's health centre. Hassle Free Clinics they have a doctor available. The first three—Adjustment into Society, North York Birth Control and the VD Information Centre have no doctor.

The other ones which I think I should mention are Harbinger, at York University, which is a health centre providing drug counselling, birth control, VD and abortion referral; Bay Centre for Birth Control, which is already funded; and Youth Clinical Serives at 800 Oakdale Rd., this one has two doctors and is already funded so that really doesn't come into it.

I only met with them once and I went over with them what kind of groups they are. Maybe I can tell in a sentence what kind of stuff they do. I think we should not be upset by the names they give each other, because it's not relevant to the good work they do; nor is what they call themselves. Hassle Free Clinic is a reasonable name for what they try to do.

Spontaneous Art Project is a group which provides art for groups of patients from the Queen St. mental health centre. They started, like many of them, originally through federal grants. There is a physician involved in it, the psychiatrist, Dr. Fischer.

The birth control and venereal disease information centre was originally established through a federal Local Initiative Programme grant in January, 1972. Since then it has received interim funding from the United Community Fund. It is composed of a working staff of five, including Italian-speaking persons. They have been trying to provide both birth control and venereal disease information at the street level. Their programme is directed to specific target areas: Young people, working class women, women in the home, and the various ethnic communities.

You have made quite an effort to provide information and facilities to deal with venereal diseases. But one problem we run into regarding why people do not turn to those places is that often they do not know where they are, in spite of the promotional literature and leaflets you put out, because of various cultural and linguistic difficulties. This type of project, like the birth control and venereal disease information centre, attempts to deal with it on the lines of the Addiction and Research Foundation's street workers, on a street level.

The other one is Tribal. Tribal is a group of people who are trying to provide housing and class counselling away from the hospital for ex-mental patients. There is a good rationale for doing it in that many of the boarding homes, extended care homes or any homes relating to a large psychiatric hospital tend to lose a percentage of their clients through the fact that they are related to or involved with a large psychiatric hospital. This one attempts to do it from a point of view of a community without the astigmatization which occurs quite often if you are in a boarding home associated with a place like the Queen St. mental health centre.

The Hassle Free Clinic began as a branch of Rochdale in order to make the clinic more immediate and accessible to the community. This was necessary because of the closing of the Toronto free youth clinic. It began in 1973 and operated originally under the Local Initiative Programme. There was a three-month gap in funding between October 1973 and January, 1974. The LIP funding was discontinued as of July 5.

The clinic has cut or will be cutting staff. This clinic has attempted to provide an efficient approach to health care. Their programmes deal largely with social problems, with some free medical assistance for general medical problems. They have had complete co-operation with and from the public health department of the city of Toronto but they do not have physicians.

Another one I mention to you is the Scarborough Community Health Clinic which is on the following lines.

We could either go over each in detail or you can start telling me why the department has not helped them in any way. What are the reasons you have not helped them and why will you not continue in the future?

Hon. Mr. Miller: Mr. Chairman, it is very hard to say that I won't help them in the future. The Bay St. birth control clinic is a good example of one which receives help. A lot of things are started under LIP and people assume they will be carried on by another level of government automatically. They get upset when the provincial government doesn't step in and automatically fund things that were created under the LIP programme. The LIP project has proven to be very useful in some areas, but at times pretty risky, because it has funded a number of things that weren't always successful.

Some of the places you are talking about are information centres as much as anything. I think you would agree my ministry has to be

involved only in the funding of those that offer some form of treatment. If they are not, if they are counselling, in the social nature, COMSOC is the ministry that does the funding. There is not always a clear line between the two.

I have an equally long list of places that we are funding for certain services in communities. I could read them back to you. Some of them have names very much like the ones you have. Certainly I find nothing offensive in the names because I realize they are trying to relate to the people whom they are serving. I can show the Community Torchlight and Information Centre; the Friendship Welcome Centre; the Maison de Ratour; and the Mary Copy Home—things like this where we are actively involved. Turning Point Incorporated; Friendship House, Halfway House; Mission of St. Judge; Spirit of Niagara—are also places we are funding one way or another in an effort to help people suffering from some kind of problem.

Mr. A. J. Roy (Otawa East). Your party is even funding an outfit called the Body House.

Hon. Mr. Miller: That is just on Yonge St. north of Wellesley and they hand out papers in front of it.

Mr. B. Newman: How do you know about that?

Mr. Ferrier: Body House?

Hon. Mr. Miller: I met you there.

Mr. Roy: You are going to change the name of that, Frank?

Mr. B. Newman: Were you on the next table?

Hon. Mr. Miller: It is always embarrassing.

Mr. Roy: I understand that your picture is in one of the pamphlets.

Hon. Mr. Miller: Well I am modest.

What I am trying to point out is that where projects have proven, as the Bay St. one did, to have a useful function related to our ministry goals, we will do our darndest to find some way, even on short notice, to assist them. In this case, we had to do it not by direct ministry funding but by indirect ministry funding through one of the hospitals we happened to be able to help. I can only say in regard to those that haven't received this assistance, if they haven't already been screened by our ministry certainly they are welcome to make the requests for funds that most places do. They should let us examine their programes and let us examine their budgets to determine what can be done to help them.

Mr. Dukszta: You have actually met with Mr. Buckley already, if I am correct, and they are meeting next week with Dr. Aldis. I am still not clear by what criteria some of them are funded and not others.

Hon. Mr. Miller: There is one point I mentioned a moment ago. It has to be providing treatment before it gets funded. That is one of the criteria.

Mr. Dukszta: What do you define as treatment? I told you there was a drug counselling service given by one. Also, the North York birth control and VD information centre gives drug counselling. Another which gives counselling is Harbinger of the York University health centre, which gives counselling in terms of drugs, birth control and VD.

Hon. Mr. Miller: Those getting counselling on drugs come under another vote, incidentally, which I think is item 3 of vote 2803.

Mr. Dukszta: That is one of their functions. We can't simply shift them to Addiction Research Foundation money afterwards. This is, in fact, one of the innovative community-orientated projects. I am not going to have it shifted down there. Wouldn't you describe this as treatment of sorts, in a very broad sense?

Hon. Mr. Miller: Sir, you are the psychiatrist.

Mr. Roy: Is he?

Mr. Dukszta: Is this supposed to disarm me or accuse me?

Hon. Mr. Miller: I suppose if you have a guilt complex, we should perhaps refer you to someone else and see.

Mr. Dukszta: I will see an engineer because I am community-oriented; but please answer.

Hon. Mr. Miller: Well I am not personally qualified to make that judgement. I would have to have staff make the judgement based on an appraisal of a given programme and the relationship to the funds we have available to give it.

That's really all I can say. I can't sit down and set criteria that are hard and fast, be-

cause I am sure you know when we get into these areas we are starting to become subjective in some areas, particularly as they relate to emotional and drug problems.

Mr. Dukszta: Well okay. What you are saying is that you don't really know what criteria have been used by your department to decide which project gets it and which project is nix. I think you should still try to answer and find out. I think everyone is here who have made all the decisions and produced a criterion for decision making.

I still am not clear. I have a feeling that if there is a physician involved, then it's more likely that the project gets funded; but I do not accept—and I thought neither did you—that the medical health problem necessarily always needs a physician for articulation. You have everyone here. Could you try to get them to tell you? I notice that Dr. Buckley has disappeared, but you could try.

Hon. Mr. Miller: Certainly the presence of a physican is one of the facilitating devices for funding, because a good deal of our funding is done through OHIP, through transfer payments from OHIP or direct billing to OHIP in a given setting; and that isn't budgeted in anywhere near the same way as direct grants to operate a given institute. So certainly the presence of a doctor has a great bearing on the degree of success in getting money from us.

Mr. Dukszta: Mr. Minister, have you said to me the transfer payments from the federal government were linked to the physician or not? I am referring to this clause just to clarify a bit of information you gave me yesterday. Are the transfers from the federal government linked to the physician service or not?

Hon. Mr. Miller: I am not sure which transfer payments you mean.

Mr. Dukszta: Well, the federal government gives you some money. I am sorry—maybe I am on the wrong track here. Why have you such strict rules and regulations about transfer of money from OHIP to health-related services which are not directly under the programme?

Hon. Mr. Miller: That is very definitely related to the Hospital Insurance and Diagnostic Services Act, if I am not wrong here. We are paid from the federal government on the basis of an audit of the payments we make on the assumption that we make them within the confines of that Act. At this point in time, they have required payment to recognized practitioners, of whom the physician is the primary one.

Mr. Dukszta: But don't they recognize other practitioners? I thought they recognized other practitioners, too.

Hon. Mr. Miller: It is limited to physicians' services on funds from the federal government. Apparently our largess at the provincial level extends to several other groups that they don't recognize.

Mr. Dukszta: Well, your largess extends, so that's good. That sounds like a promise. Does this mean that you will move and can provide some money to those groups, which you have not done so far?

Once you specify to me, or discover for your own satisfaction what the criteria are on which you make a decision between one group and another it would seem they are very comparable in function or effect or composition of staff.

Hon. Mr. Miller: Yes, I think there is some possibility. I just keep returning to the point that we have been limiting our grants to those that offer treatment. As you've pointed out quite accurately, treatment is a difficult word to define.

But primarily, within health care we have been trying to fund only those organizations which treat somebody; and treatment has often meant the presence of a physician of some type.

Mr. Dukszta: Are you limiting yourself to that? I am going to return to this point again. Are you saying that this is the basic criteria or have you got other criteria to define treatment beside a physician's articulation of it? Are you prepared to acknowledge that there are others, or admit, accept or innovate a different way of articulating what the treatment is besides one given by the physician?

Hon. Mr. Miller: I was looking over a list of the 23 clinics we were talking about earlier. I find 10 of them didn't have physicians, but are supervised by physicians. So that really doesn't answer the question you have been asking.

To date, our criteria basically required a physician to be present. Under the next vote the grants and aid programme to which I was referring, I was reading from the grants and aids though ARF and those facilities—

Mr. Dukszta: Where do you.

Hon. Mr. Miller: Vote 2803, item 3, I think, is what this comes under.

Mr. Dukszta: Do I have to bring all this up again?

Hon. Mr. Miller: You are tempting me to say: "What else is new?"

Mr. Dukszta: You mean, we cannot discuss this now, and you are prepared to give an answer when we come to the next vote?

Hon. Mr. Miller: If we are going on a vote by vote basis, I think we should discuss those related to drug problems and so on, under the vote 2803.

Mr. Dukszta: Yes, but not all those I read to you are actually related to drug conselling. Adjustment into Society relates to psychiatry; Smokers Anonymous relates to health protection and disease prevention; Spontaneous Art indirectly relates to psychiatry; Women's Health Centre—I would say because of the birth control, VD and abortion referral is related largely to health promotion.

I have combined a number of the projects into one because I think it would be easier for us to discuss it. But the majority of them fit into promotion and protection programmes, and also fit into your approach of trying new pilot projects, new innovative projects in the mode and the spirit of the community health approach.

Hon. Mr. Miller: I will go back to the statement that those that have been giving a treatment generally related to a physician have been the ones we have been prone to finance and not the others, up to this point.

We do recognize the merits of some of them and I am going to have to deal with my staff and see if we can't find ways of funding them that will meet our present requirements for cost-sharing or other criteria.

Mr. Dukszta: It sounds to me like a promise. Does this mean we can apply to you afterwards so that you can look into it?

Hon. Mr. Miller: Will you have a conflict of interest in that?

Mr. Dukszta: Never; this is straight from the heart.

Mr. Chairman: The member for Windsor-Walkerville.

Mr. B. Newman: Mr. Chairman, I want to ask the minister what his ministry's responsibility was in the recent hamburger episodes that were brought to the attention of the public, municipally, provincially and nationwide?

Hon. Mr. Miller: I am waiting for Dr. Martin to get near me. But I know we have been testing for five years through our programme the bacteria content in processed meats. I believe our findings and those of the federal government bore some similarity. There were few pathogenic bacteria found. While there are bacteria present, our findings were that they were generally safe. Is that correct?

Mr. B. Newman: We assume from your comments, Mr. Minister, that the great commotion over the hamburger episode was not a health hazard at all according to the findings of your officials.

Hon. Mr. Miller: First of all, the responsibility is federal.

Mr. B. Newman: It is not federal on the processed aspect. It may be federal in the slaughterhouse end, but in the processing of meat I think it is not federal.

Hon. Mr. Miller: I am listening because I cannot make that decision.

Mr. B. Newman: Food processing?

Hon. Mr. Miller: Is federal.

Mr. B. Newman: I can recall in my day never seeing a federal inspector in a meat processing plant, but always seeing municipal inspectors. That goes back a few years so that things may have changed since then. But on the slaughter level, there would be a federal inspector all the time.

Hon. Mr. Miller: You are talking about slaughtering too?

Mr. B. Newman: No, I am talking about processing.

Hon. Mr. Miller: I am told that processing is federal.

Mr. B. Newman: I will accept that if your officials say that. That is quite all right. Have you set up a bacteria count standard beyond which meats should not be permitted to be sold?

Hon. Mr. Miller: That is a federal responsibility and I am sure they must have standards. Were you aware of some? We're not aware of the standard levels the federal government may have set.

Mr. B. Newman: Mr. Minister, in your previous comments to me you made mention that you did test for bacteria count, so if your officials have done the testing, then you

must have some standards by which you you could say that certain hamburger is not edible or is a danger to health.

Hon. Mr. Miller: I am told that we have been doing this as a monitoring operation for our own interest without the jurisdictional authority to take action, but that the tests we have had were, in the opinion of our staff, satisfactory. There is no cause for alarm.

Mr. B. Newman: How recently were those tests conducted?

Hon. Mr. Miller: Continually for the last five years.

Mr. B. Newman: And they were conducted during the time there was a great commotion in Ottawa over the hamburger meat?

Hon. Mr. Miller: Yes; I am told yes.

Mr. B. Newman: May I ask of the minister if he is aware or if his officials have found any link between the use of arsenic and cancer? Apparently studies at the Dow Chemical Plant in Midland, Mich., indicated a very high incidence of cancer among employees who worked in the inorganic arsenic area.

That was a study conducted by the Occupational Safety Health Administration in the US, and was reported on by the Dow people themselves. The Dow study showed that 32.9 per cent of 178 workers who were exposed to arsenic during the plant's 32 year record of handling the chemical died of cancer.

Hon. Mr. Miller: I have Dr. Tidey in front of me now and I have no information at this point on arsenic and its relationship with cancer. No, we do not have any information on this matter.

Mr. B. Newman: May I ask of the minister if he is concerned with fluoridation and intends to make fluoridation compulsory throughout the province?

Hon. Mr. Miller: You ask nice questions, don't you?

Mr. J. E. Stokes (Thunder Bay): Ask Gordon Sinclair.

Hon. Mr. Miller: I can ask members of your own party. I have received very thoughtful communications from at least one member of the NDP who used to be an advocate of fluoridation and has now become an opponent of it.

Mr. Stokes: Who is that?

Hon. Mr. Miller: Just a second, my mind has gone blank on me all of a sudden. Second row, just beside Mr. Young.

Mr. Roy: That happens quite frequently by the way.

Mr. Stokes: Mr. Ferrier?

Hon. Mr. Miller: No.

Mr. Stokes: Mr. Shulman?

Hon. Mr. Miller: I am in the wrong direction, it must be on your side.

Mr. Young: Mr. Burr?

Hon. Mr. Miller: Yes, that is right, Mr. Fred Burr.

Mr. Stokes: Fred Burr? Is he for or against?

Hon. Mr. Miller: Yes, the hon. member for Sandwich-Riverside (Mr. Burr).

I am offering my personal feelings, and I believe they're the feelings of my ministry. I believe in fluoridation of water supplies as a necessary step in the prevention of tooth decay, particularly for younger people. It is a very contentious issue, one which the province has felt should best be decided at the local level. That is still the policy of government. Yet a very high percentage of the water supplies of the Province of Ontario are now fluoridated.

I figure it's always dangerous to quote without some reference, but something like 75 per cent or more of the people on municipal water supplies are getting fluoridated water now.

I was in two towns recently, one with and one without fluoridation. Sault Ste. Marie without, Sudbury with. The dentists in Sault Ste. Marie said to me; "I can tell any time a boy or girl comes here from the Sudbury area because they have good teeth." As simply as that.

Mr. Roy: I wouldn't say that about Elie Martel.

Hon. Mr. Miller: He probably lost his.

Mr. Chairman: Order please.

Hon. Mr. Miller: Comments have been made in our ministry, and I've even made them in speeches, as a rhetorical question to a degree, but probably expressing our opijnion: What good is a children's dental health programme without fluoridated water?

Mr. Ferrier: Do they have fluoridated water in Bracebridge?

Hon. Mr. Miller: No.

Mr. B. Newman: Then the decision to fluoridate water is a political one, not a health one?

Hon. Mr. Miller: Yes.

Mr. Roy: Well, isn't the dental association pressuring you to fluoridate water?

Hon. Mr. Miller: The dental association, as far as I know, is unanimously in support of that point of view. There've been fluoride applications and so on. In the town of Bracebridge the schools have programmes where they will put the topical applications of fluoride on the teeth of the students because we don't have it in our water supply. The size of a community shouldn't be a deterrent. I notice the town of Parry Sound has fluoridated water, and it's not much bigger than the town of Bracebridge. I would encourage communities to look at this issue and try and get the emotionalism out of it.

Mr. B. Newman: During question period at one time, I asked the Minister of Consumer and Commercial Relations (Mr. Clement) if he intended to pass regulations concerning microwave ovens, seeing they are getting to be extremely popular. In his reply he mentioned that your ministry is looking into regulations concerning the ovens. Have you looked into it, and do you intend to introduce legislation?

Hon. Mr. Miller: We have been looking into it. I think we are very far advanced in the studies of the necessary controls for microwave ovens.

Mr. B. Newman: Can we expect the result in legislation?

Hon. Mr. Miller: We would hope to have it in legislative form during the next year. We almost had it in legislative form for this session.

Mr. B. Newman: What held it up?

Hon. Mr. Miller: Simply detail. We had some unresolved points that required clarification before the legislation could be finally drafted.

Mr. B. Newman: It has been brought to my attention that certain medical devices are not regulated. Maybe this is a federal responsibility, and not provincial, but if the federal government does not regulate them, wouldn't it be a good idea for you to urge them to implement regulations or introduce your own regulations? I'm referring to heart pacemakers. I've noted in reading American newspapers there have been problems with the batteries in pacemakers and that if there were regulations the problem could be resolved.

Hon. Mr. Miller: I saw a set of criteria recently for atomic pacemakers. Are these the ones you're worried about, or the battery-powered ones?

Mr. B. Newman: The power supply was the problem.

Hon. Mr. Miller: This is why they were going to the atomic type, as I understand it. The atomic type had a much longer power supply and didn't require an operation to replace the thing from time to time. I recall recently there were a series that were defective, if you recall.

They were the battery type where they had removed them, I believe, and replaced them. They had a bunch of defective batteries. I don't know the regulations on it, I quite honestly don't.

Mr. B. Newman: Are they or are they not the minister's responsibility?

Hon. Mr. Miller: My staff says no.

Mr. B. Newman: I have also heard that the electronics in an aircraft can have an effect on the pacemaker. If the federal government doesn't have regulations on them, I think we should encourage them.

Mrs. Campbell: The minister was all set to answer the member.

Mr. B. Newman: Was the minister all set to answer?

Hon. Mr. Miller: It is perfectly all right, I'll answer it with the next question.

Mrs. Campbell: We wouldn't want to hurt the minister's feelings.

Mr. B. Newman: I shouldn't drop my head.

Hon. Mr. Miller: Never drop your head when you are with me.

Mr. B. Newman: I thought I would blind you by dropping my head.

Another item that has been brought to my attention is baby incubators equipped at times with poor thermostats. Has that been

a problem in Ontario at all? This apparently is an American problem.

Hon. Mr. Miller: It has never come to the attention of my staff who are present. They're all nodding their heads.

Mr. B. Newman: Maybe they're not in that age bracket.

Hon. Mr. Miller: They're all past that stage.

Mrs. Campbell: What about the minister's professionalists?

Mr. B. Newman: The last one, Mr. Minister, is concerning emergency oxygen units that don't work because of defective valves. Do you or any of your officials know anything on that?

Hon. Mr. Miller: We're going to have to get your research worker working for me. No, in fact, we do not know anything of that.

Mr. B. Newman: Would you mind, Mr. Minister, having someone in your ministry look after these matters that have been brought to your attention?

Hon. Mr. Miller: I'd be glad to look at each of those items in case there is, in fact, a risk factor. We'll see what we can do about them.

Mr. B. Newman: Thank you.

Mr. Chairman: The member for Yorkview.

Mr. Young: Mr. Chairman, in connection with the health protection and disease prevention services, I want to ask the minister what is happening in one particular phase of this prevention work.

Recently we had a conference in Ontario in connection with alcoholism, drugs and traffic safety, but it dealt with the whole field of alcoholism. I know that in the next vote, we'll be discussing this when it comes to the Addition Research Foundation and perhaps some other phases, but I want to ask the minister about the impact this particular habit of ours has upon his ministry and what is being done in the field of prevention?

In David Archibald's recent pamphlet "Changing Drinking Patterns in Ontario" there are some implications—

Mr. R. G. Hodgson (Victoria-Haliburton): Why don't you carry this vote before you go on to the next one?

Mr. Young: He says this: "In Ontario in 1969, 22,600 persons between the ages of 20 and 70 died. These deaths not only were 38 per cent stricken with cirrhosis of the liver due to alcohol—

Mr. Chairman: Order please.

Hon. Mr. Miller: On a point of order. I believe this is under vote 2803, item 5, Mr. Chairman.

Mr. Young: All right. I don't mind.

Mr. Chairman: Shall section 1 carry then?

Mr. Young: No. I can keep it until later if you wish.

Mr. Chairman: Shall section 1 carry?

Mr. B. Newman: I have a question on section 1.

Mr. Chairman: All right. We'll take the member for Windsor-Walkerville.

Mr. B. Newman: The question deals with lead poisoning. Does the ministry not have some type of device that could check on the effects of lead and lead poisoning, to see if the blood levels of the individual exposed are at a certain level or not?

Hon. Mr. Miller: Yes, the ability to make the measurement exists. And that of course hasn't been the issue as I saw it throughout the lead debates. It's an issue that's bothered me, perhaps, more than any of the other occupational health issues in one sense.

I have been concerned about the very real mental anguish that has been placed particularly upon the parents of children who live in areas where there is a potential lead poisoning hazard. Quite properly—if I were them I would do the same thing—they have listened to those people who have said a problem exists in terms of health, simply because a fact exists in terms of an elevated lead level in the blood.

The issue of what level constitutes a health hazard to me still remains the paramount issue. I have heard from a number of physicians, and the interesting thing is no one yet has documented—I think I am safe to say this—an illness related to these lead levels. We can document, through the many studies that have been carried on this year, the fact that a goodly number of people, particularly children, have lead levels. Yet we can show the variations in those levels are not always related to the proximity to a smelter or even within a family. So there are many variables

affecting the ingestion, if that is the word, of lead.

I am most concerned though.

First, one can categorically say it is not good to allow lead into the atmosphere. That is a safe statement. But lead is entering our atmosphere from many points every day; therefore we should take all reasonable steps to prevent further emissions of lead where we can.

My job though, as Minister of Health, is primarily concerned with when is it a health hazard, when does one exist. I hate to think of parents who suddenly worry about the child who says I have got a sick tummy in the morning. That is a pretty normal thing for a kid to say on a Monday morning; but the parents suddenly start worrying about the fact that it may be related to lead poisoning.

I am not being dramatic, this is happening. I know it is happening; I have a very close contact, in that my driver lives within a block and a half of the Canada Metal plant, and I know the anguish he and his wife go through with their four children, it brings it very close.

You know, you can talk about things very impersonally until you see how someone feels about the issue. I am sure I couldn't convince that lady that I was right if I said to her she should not worry. But I want to be able to say to her you should worry or you should not worry, based on some evidence that is meaningful. That is the issue to me that I have to see resolved.

I am sorry that in the absence of that kind of definitive data we have really caused sheer panic amongst a lot of people in the interim. Because we don't have any evidence of illness, even in these higher lead concentration areas. We simply remove people, particularly those in the work force, when they get to 80 micrograms of lead per 100 milliltres of blood, if I recall the figure. That is the level at which an adult is removed. I think we almost halve that for a child don't we—40 micrograms per 100 millilitres we consider a cause for concern in a child.

Those are good standards to start worrying about, but they haven't truly been related to illness; they are simply levels past which we say one should not go at this point in time.

Mr. B. Newman: May I suggest to the minister now that he is attempting to develop that computer-assisted school health programme, that he do take lead level samples of the youth in the area and in other areas. Then he could have some type of data by which to come along eventually and say there is a definite health hazard as a result of the exposure to lead or not.

I have noticed that the schools in Detroit —and I hate using Detroit as an example, because in some respects it is not the nicest city in the United States to be talking about—but they do have portable lead samplers and they go into the area and sample the blood of all of the youngsters. They are attempting to develop a study and I would think that it might be a good thing on the part of your ministry with your new CASH programme.

Mr. Chairman: Actually, that is on the next vote.

Mr. B. Newman: No, that is right in this vote.

Mr. Chairman: It would come under clinical, applied, operational and other health research. I believe it is out of order.

Hon. Mr. Miller: In any case, I am very aware of the problem.

Mr. Chairman: The member for Parkdale.

Mr. Dukszta: To return to the question of what you said about lead poisoning, I think if you wait for what you call a definitive version, we are really taking a major risk right now. I think there is enough evidence at the moment. I think your figures in terms of micrograms are too high and most authorities now are concerned about a much lower level. If you wait for a definitive version, it may never come.

I'll give you an example. I think people for a long time suspected that the workers exposed to asbestos not only developed an obvious asbestosis which might be a fibrous reaction but that there was a suspected danger of mesthelioma, which only recently people have been able to show. They have been able to show it because they waited long enough. You get exposed and 20 years later you develop a cancer of the lung. The cancer does not develop immediately. It has been shown repeatedly that the population which has been exposed to asbestos in Paterson developed three times as much cancer as the population which was not exposed to it. I think you should take this into account when you look at the lead poisoning question.

You react very emotionally to the anguish that the parents feel about children. I think the anguish less important. I think what is important is to do something about it. We

should accept that there is a danger even if it is not proven in that extreme scientific fashion which you demand. We have had this discussion before. It's not enough. I think it comes under this ministry. You can surely start some of the programmes; first you could be testing generally and even going as far as providing treatment facilities; or paying for removal of the top soil which is one of the things people think should be done so that the soil which the children play on does not in fact produce constantly new problems for the children even if the factory was closed.

Hon. Mr. Miller: To imply that we are not doing some of those things, I think, is wrong.

First, Environment has been much tougher in terms of emission control standards to try to prevent an aggravation of the current problem in terms of lead in that area.

Second, you know we asked Dr. Rocke Robertson to look into the effect of health and lead—the inter-relationship. I should have that report in two or three days; it's that close, I believe it is past the final draft. It's simply at this point in time waiting the approval of the individual members of the committee. I have every intention of making that report public as quickly as I can.

As for the testing programmes, I don't know how many people we tested, but it is over 6,000. We did a sample of people not in the area considered to be a high risk area as well to give us some kind of an average population base to work on.

Furthermore, let's look at the other occupational health hazards. Many of them have been entered into without a forewarning that there was a potential danger. I think you would agree with that.

When the men went into the uranium mines, when the men went into gold mining in the past, when the men worked with vinyl chloride monomer, one didn't know in advance, that we had a problem. How do we find out? Obviously by relating the incidence of disease to the population averages in those groups. I think you would agree that was the method by which we determined the problem, isn't it? We then started looking for the cause of that problem, and in cases like asbestosis it got right to mesothelioma, a type of cancer of the lung?

Mr. Chairman: I don't think the member and the minister are talking—

Hon. Mr. Miller: I will be quite glad to stop at that.

Mr. Dukszta: This is not a philosophy. I must raise a specific question of what I consider the function of the ministry in terms of promotion and protection programmes.

Mr. Chairman: Are we budgeting any dollars for that particular subject?

Mr. Dukszta: If the minister finishes answering, I was just about to ask him.

Interjections by hon members.

Hon. Mr. Miller: Am I back on?

Mr. Chairman: There are a lot of questions to be asked here and a lot of money to be voted. I sat here for two or three days and really, sir, I must point out to you that there has been very little relative to estimates. It has been about almost every other subject but.

Interjections by hon. members.

Mr. Dukszta: I have never heard such a thing.

Mr. Chairman: That is estimates in the true sense of how dollars are going to be spent.

Mr. Dukszta: Excuse me, were you listening when I was asking—

Mr. Chairman: Yes.

Mr. Dukszta:—the questions about the various projects which applied for money to the minister? I was talking very clearly about money.

Mr. Ferrier: If you make any more speeches like that, I am not going to recommend you for the cabinet.

Mr. Chairman: I think there is a tremendous amount of money here; a tremendous number of votes and money going to particular items. I think it would be far better if you did ask about those particular items.

Mr. Dukszta: Mr. Chairman, if you keep interfering—

Mr. Chairman: It is under the clinical, applied, operation and health research item. That is under research.

Mr. B. Newman: It also comes under promotion and protection programme.

Mr. Dukszta: Could we return to the subject now, Mr. Chairman?

Mr. Chairman: Carry on.

Hon. Mr. Miller: We were dealing with mesothelioma.

An hon. member: I thought I heard some gold and I thought I heard a lot of other things.

Hon. Mr. Miller: I had trouble spelling hospital six months ago.

Mr. Roy: You still do. The word you can't spell any more is ceiling.

Hon. Mr. Miller: S-E—

Mrs. Campbell: A.

Hon. Mr. Miller: The critical thing I was trying to lead up to is that we determined the occupational health hazard based upon the historical incidence of disease related to the population at large. That was referred to yesterday when it was said that cancer was three times as prevalent in the workers at Elliot Lake as it was in the population at large. Statements of that nature have guided us to health hazards where they existed.

Unfortunately I don't know how one truly predicts things in advance, and I think you would agree with me. In the case of lead, it has been used throughout our recorded civilized history and we have no evidence of lead poisoning on the scale one would expect if it was the hazard people assume it is at the levels we have incurred in Toronto.

Mr. Dukszta: I think there is a difference in how we interpret the data available. I think you are wrong, but I won't pursue that subject.

Let me ask you whether there is a group in your ministry and whether you have allotted any money to general research in occupational health.

Hon. Mr. Miller: Yes. We are working on this issue within the Ministry of Health in the occupational health hazards branch. I am very concerned about the problem. I don't want anything I say today to make you believe I am not anxious to find an answer. I am meeting with ministers very shortly to co-ordinate to a better degree our attack on this problem.

Mr. Dukszta: Yesterday when I was making my opening statement, I quoted to you a report done in England on which new legislation was based. When the minister says he is meeting with representatives of other ministries, is this a move toward some kind of a co-ordinating committee which will deal with all occupational and health hazards in work situations and others?

Hon. Mr. Miller: I have to say I initiated these discussions myself because I felt there was a need for a higher degree of co-ordination.

Mr. Dukszta: Well then, congratulations!

Mr. Chairman: The member for St. George.

Mrs. Campbell: I want to get into this if I may. If this is all being co-ordinated, why is this government not giving greater protection to the local board of health? It has had to be on the front line of fire in dealing with the matters—to the point where some of the members are subjected to penalties for having assumed a responsibility which is essentially provincial.

Hon. Mr. Miller: We have tried to help the local board of health and they have, as you know, been very divided on this. I have to say that at times I think they have been playing politics instead of worrying about health.

Mr. Dukszta: Excuse me, who was playing politics?

Hon. Mr. Miller: Pardon?

Mr. Dukszta: To whom is the minister referring?

Hon. Mr. Miller: The Toronto Board of Health.

Mr. Dukszta: Toronto Board of Health?

Mr. I. Deans (Wentworth): That is a headline grabber.

Mrs. Campbell: Yes, it is in Hansard.

Mr. Dukszta: Mr. Chairman, one of them, in fact the chief I think, is your appointee. Am I not right? Who is playing politics? Is that the minister's appointee or is he saying the other members of it?

Mr. Deans: Now he doesn't want to—

Mr. Dukszta: Is the minister going to answer, because he has accused the Toronto Board of Health of playing politics. Who is he specifically accusing—Dr. Moss or others?

Hon. Mr. Miller: I am not naming any specific person. I just feel that there has been a lot of gamesmanship in the last short while.

Mr. Dukszta: One of them is the minister's own appointee.

Mr. Roy: The minister has privilege here. No problem.

Mr. Chairman: The member for Cochrane South.

Mr. Ferrier: Yes, Mr. Chairman, I hope I can deal a little bit with the health unit allocation here.

As I understand it, a few years ago, you went to a global budgeting method of allocating money to the health units. You took the programmes that you had at that time and you decided that if they wanted to expand you would provide a little more money and so on. If a health unit had been particularly budget conscious and was holding down on spending and programmes and so on, when they did decide they were going to spend more money or would have to expand the programmes to bring the services up to what health units in other parts of the province were providing—when they needed more staff and more money to do this—they were penalized on the basis of the previous budget that they had.

I know people from my riding came down here and I think you gave them some extra money—not as much as they wanted, but they got some. But when you started the programme, two or three years ago, the province was subsidizing the programme by about 75 per cent of the health unit cost. Then it started going down to about 67 per cent and I don't know what it is at now. Perhaps the minister could let us know what it has dropped to

The Treasurer (Mr. White) likes to tell us about how much extra money he is giving the municipal councils to operate things at the local level and how much better off they are because of the deconditionalized grants and this kind of thing. This is all welcome, but as I understand it from this ministry on health units, there is more having to be spent by local municipal councils than there was a few years ago.

The other thing is regarding the grants for health units. What special provision do you make for the extra expenses that health units in northern Ontario have vis-à-vis those in the south—such things as scattered population and a lot more mileage required of inspectors and nurses going out to provide service to the population and that type of thing? Do you make any special provision for assistance to northern Ontario health units that you don't make in the south? What is the variation between southern and northern units as far as the average cost is concerned?

Hon. Mr. Miller: I have per capita figures for the total expenditures of every health unit area in the Province of Ontario. I will give you a couple of examples: Etobicoke, $4.01 per person; Porcupine, $6.40 per person—

Mr. Ferrier: We have to pay a lot more then?

Hon. Mr. Miller: That's the—

Mr. Ferrier: Is that the grant or is that what the municipalities have to pay?

Hon. Mr. Miller: That is the total. Etobicoke gets $1 of that $4.01 from us.

Mr. Deans: What does Porcupine get?

Mr. Ferrier: What do we get?

Hon. Mr. Miller: Porcupine would get approximately $4.70 of that $6.40 from us.

Mr. Ferrier: What is the percentage?

Hon. Mr. Miller: What I am trying to tell you is that you are getting a better deal per capita because you have higher costs per capita.

But, to go back, I am sure I don't have to tell the member about the problems of the South Porcupine Health Unit. Is Dr. Killingbeck your MOH now? He has come there within recent times, I believe—within the last year or so. Is that correct?

Mr. Ferrier: Yes. Two years ago.

Hon. Mr. Miller: He took over from a gentlemen who had been ill for some time.

The real issue was not one of willingness or unwillingness to fund—and you must remember that the programmes must have a certain amount of local financing too. Over a period of time there wasn't an expansion of the programmes in your area. Frankly, we would have encouraged expansion up there, but it didn't happen. Either there wasn't the initiative at the local level or—well, it wasn't done in any case. I am not laying blame on anybody; it just didn't happen. Somebody said it was because of the failing health of the MOH at that point in time, but I don't know that that's true.

You got a doctor who was aware of the shortcomings of your system, and he immediately set about, as he should, to try to upgrade them. But—and this is where we run into problems—the funding mechanisms are

such that we have to approve the new programmes before they are funded. It is my understanding that certain programmes were started there without the necessary approval; and when the funds weren't available, your percentage of the total dropped from the 75 per cent that we support. Do you follow me?

That's why you are faced, I believe, with a very large increase in the municipal contribution towards the health unit. As I recall, it was quite an issue in the Porcupine area, and in Timmins in particular, in early May. They were talking about closing down the health unit, turning it back to the province, getting rid of the programmes, getting rid of the minister and a few other things.

Mr. Ferrier: I didn't say anything about the minister.

Hon. Mr. Miller: I was up there and they were very nice to me, to be quite honest with you. But they have very real problems. They came down to see us, and we did increase their grants because we did recognize the special problems you faced in catching up with the programmes offered in your area.

Of course they are not satisfied. I haven't met a health unit yet that has been satisfied with the moneys it got, but our share in that case increased by $134,026 over the year.

Mr. Ferrier: Well, I would like to say that was a very good response the minister gave —we are very happy about it—that from here on in, if new programmes are presented and are shown to be beneficial and reasonable, there is a likelihood they will be approved and we will be able to keep up with the rest of the province.

I concur in all you say about Dr. Killingbeck. He is a very excellent medical officer of health. They are doing a splendid job there, and I thank you for the extra support and encouragement you have given to them. But are you still at that 75 per cent level of approved costs? You haven't changed from that? So the figures they were quoting were not necessarily of getting 67 or 63—

Hon. Mr. Miller: Yes, it is because of the unapproved content that they have got problems.

Mr. Ferrier: Is this unapproved content very prevalent throughout the province?

Hon. Mr. Miller: I can't be sure of that. There is a great variation. The Toronto issue, as to why Toronto only gets 25 per cent, which started this discussion, hinges on the unwillingness of the seven municipalities involved to agree on what programmes should be the base programmes. People have a great difference of opinion as to whether a VD control programme, a VD education programme, birth control, family planning and things of this nature should be part of it.

Some areas have been anxious to broaden the programmes to put in denticare, and things of this nature. Other areas have been quite reluctant to add programmes. Where they felt a programme was worth their own dollars, some places have gone ahead and done it, knowing full well they were using 100 per cent tax dollars from that municipality to carry the programme. Is that correct?

Mr. Chairman: The hon. member for Parkdale.

Mr. Dukszta: Mr. Minister, I am certain you did not mean to impute bad faith to the whole of Toronto, so can you withdraw it or specify it?

Hon. Mr. Miller: You know, I'm usually a very temperate soul.

Mr. Roy: You are not going to back off?

Mr. Deans: You are not going to get away with it.

Hon. Mr. Miller: I suddenly find myself speaking like you people.

Mr. Stokes: What is gamesmanship?

Mr. Deans: Having once said it—

Hon. Mr. Miller: I don't think I'm willing to withdraw it, Mr. Chairman.

Mr. Deans: What do you mean? If you are not going to withdraw it, what do you mean?

When you say there is politics being played by the board, that's a very serious allegation. That means all of the implications that these people aren't doing their job both properly and with integrity. If you are prepared to say that that board isn't exercising proper integrity in the way in which it is carrying out its functions, then say so and tell us what it is and let's get another board.

If they are not doing their job properly, then tell us what is they are not doing, and let's then have the appropriate steps taken to replace them. But you don't get up in the House and say that people are playing politics out there—particularly with health. You might want to say it with other things, but either you're prepared to sub-

stantiate it or you are going to withdraw it, or else you are going to spend all night talking about it.

Hon. Mr. Miller: I have 15 hours, sir.

Mr. Deans: That's fine. We are going to have to spend a long time then, because that kind of an allegation is very serious. It goes right to the integrity of the whole board. It allows for the questioning of the way in which they carry out their job, not only in the way it relates to that particular incident, but as it relates to all other things that they do. If they can withstand the kind of allegation that they play politics on the one hand with that kind of a situation, then what do people then have to think about the way they do their job normally? I just don't think that's the kind of statement the Minister of Health should make in the Province of Ontario, unless he is prepared to substantiate it with some kind of evidence.

Hon. Mr. Miller: I think the evidence can be shown by the fact there are some court cases related to some of the statements made and some of the charges made before the courts. It is one of the areas I was concerned about.

Mr. Deans: That's not playing politics. That is someone questioning the legality of what they did. But that again has nothing to do with politics; that has to do with whether or not the decision that they came to, based on whatever information or evidence they had, was legally defensible. That has nothing to do with whether or not they are playing politics. Playing politics is another racket—that's what you're doing by making that statement.

Hon. Mr. Miller: And what are you doing?

Mr. Deans: What I'm doing is trying to get you—That's interesting. All right, I'll tell you what I'm doing. I'm trying to make you responsible for your own actions. When you accuse the local board of health in the city of Toronto of playing politics, you can then draw the inference that they don't take their job seriously. I just don't happen to think that that is a proper statement for a Minister of Health to make.

If you're going to make that kind of a statement, then you surely have an obligation to point out the incidents that allowed you to draw that conclusion. If you don't think they're doing it with the best intentions of the people over whom they have some jurisdiction, then say so. As far as the court cases are concerned, don't draw that in as a red herring. It applies to whether or not the position they take is legally defensive, or whether or not it is acceptable to you politically.

Hon. Mr. Miller: By "politics," I'm not talking NDP, Liberal or Conservative.

Mr. Deans: No. I understand that.

Mr. Deans: I realize you're not talking partisan politics, you're talking about game playing. That's what you're saying.

Hon. Mr. Miller: Do you really think I'm wrong?

Mr. Deans: Yes, I think you're wrong. I think what they did, they did with the best interests of the people at heart. If you think otherwise, why don't you say so?

Hon. Mr. Miller: I did.

Mr. Roy: He has.

Mr. Deans: Then what actions are you taking to make sure that it can't happen again?

Hon. Mr. Miller: I have no control over the people on that board of health. I have no intention of having any control over the people on the board of health. I offered a subjective observation on what I've seen.

Mr. Dukszta: It can't be a subjective interpretation. You have appointed one member to that board and you're responsible for at least one member of the board. You're responsible for occupational health and you cannot make a statement that implies the whole board, at the moment, is playing politics and not concerned with the lead poisoning which has occurred in the city of Toronto. You cannot say that.

You cannot accuse all those people who have spent time being concerned about the hazards to health. You cannot say they are simply playing politics and the whole thing is a game. It is not a game. You have just accused them of doing nothing but gaming, and also accused them of bad faith. I cannot accept this unless you're going to specify what they have done wrong. Do you think the whole effort in determining whether there is a lead poisoning problem and their concern is all phoney? Is that what you have said?

Hon. Mr. Miller: I suppose one should often keep his thoughts to himself. First of all, you're wrong on one point. I'm assured we do not have an appointee on that board.

Mr. Dukszta: What is Dr. Moss?

Hon. Mr. Miller: He's not a member of the board, as I understand it.

Mr. Dukszta: He's an officer of health and he sits on the board.

Hon. Mr. Miller: He sits on the board?

Mr. Dukszta: Well, he sits in an advisory capacity and can't vote at the moment, but he is responsible for that.

Hon. Mr. Miller: He's responsible for reporting to the board. He answers to the board.

Mr. Dukszta: He answers to the board?

Hon. Mr. Miller: You got into the issues about whether he had acted responsibly in terms of keeping the reports or making them public, whether he'd dealt with them. There were a lot of reactions in the city at that time which made me feel that if one was really concerned about the health of the people, one would attack the problem in a quiet way, as we have tried to do, in terms of defining the magnitude of the problem. I've only had, to the best of my knowledge, one contact in or, one request for a contact from this board to discuss the issue and all kinds of statements were made about the irresponsibility of this government toward the issue.

Mr. Deans: But don't you think your response to the statement was irresponsible?

Hon. Mr. Miller: I'm not sure mine was irresponsible. It was probably untoward, but I don't think it's irresponsible.

Mrs. Campbell: Mr. Chairman.

Mr. Chairman: The hon. member for St. George.

Mrs. Campbell: I would like to have one brief word on this subject since I am the one who apparently elicited this entire exchange; I don't call it a debate. I think it's important that the minister at least tell us exactly wherein he sees the responsibilities of the local boards. They function under provincial legislation. They have interpreted their responsibility, it is true, in a very different manner from that of former local boards.

In the past, the medical officer of health seemed to wield such power with the board there was very little action taken in the areas of responsibility. I would appreciate the minister defining for us what he feels is the responsibility within his legislation. I believe the people on the board were seeking to fulfil their statutory obligations. I would like to know wherein, in the opinion of the minister, they either failed to do so, or did so in an improper fashion.

Hon. Mr. Miller: I don't think I'm going to start enumerating the proper responsibilities of that board until I am more clearly aware of them myself. I have been given a note which I am not prepared to interpret, so until I have a proper answer I will withhold any answer.

Mr. Deans: Can I ask about another matter then? I am really reluctant to leave this. I wish you hadn't said it, quite frankly. I wish you hadn't said it because I don't think it is right. You may not agree with the way in which they have done their job, you may think they should have done it differently, you may feel that they created more public exposure than was necessary; that's your right to think those kinds of things. But the fact that they did it differently from the way you might have done it doesn't make them wrong and doesn't mean they're playing games.

I want to ask you about another matter. Yesterday, I raised with the Minister of Labour (Mr. MacBeth) the matter of a study of some sort that was being conducted into a coolant used by General Steel Wares in Fergus or thereabouts.

Mrs. Campbell: What do you mean Fergus or thereabouts? It is either Fergus or it isn't Fergus.

Mr. Deans: Oh, well I think that might be considered irrelevant at this point. It's the General Steel Wares plant. I'm not sure if it's right in Fergus or in the neighborhood of Fergus. Okay? You have to be very careful around here!

What I am interested in is this: There was a study conducted by Dr. Tidey, as I recall, in the spring of the year into a coolant which was used by General Steel Wares and to which certain workers in the plant attributed the deaths of four people.

In a press statement made during the last two or three days, Dr. Tidey indicated that there had been a second study conducted. Let me read it. It is a news story.

It says that Dr. Tidey, director of the occupational health branch of the Ministry of Labour, said "the new report included data on inhalation and tests on animals," and

there was some indecision as to whether or not this report should be made public. I asked the Minister of Labour yesterday in the House, and I asked the Minister of Labour in the committee, and the claim now is that the study which Dr. Tidey indicated had been conducted was not into the original coolant but was rather into the coolant that's currently being used.

What I want from you is this: First of all, I would like to know whether, in fact, it was done by Minister of Health officials. Secondly, I would like to see both of the studies, not just the conclusions from the studies. I would like to know what kind of study was conducted into the properties of the coolant and the way in which the coolant acted on the human body under different situations. I would like to know whether it was studied, for example, in vapour form, and whether it was studied with regard to the effect that it might have on the nervous system and on the lungs and heart if it were to be taken, either inhaled or in whatever other way, over a long period of time.

There is no doubt that many of the people who worked in the plant believe that the original coolant contributed to the deaths of the four workers, and there is no doubt that some of the properties as listed in the original report indicated that it's quite possible that, if taken in sufficient quantity, it could have an effect on either the nervous system or on the heart.

I would like, if the minister could, if he would make available to the House the methodology used by his ministry in conducting the original study. I would like to know whether or not there was, in fact, a second study conducted into the coolant that was used at the time of the deaths, and I would like to know whether or not there was a study conducted into the coolant that is currently being used; in order that we can try to analyse what the differences are between what's currently being done and what was being done, and the effect of what was being used on the people who worked in the plant.

Hon. Mr. Miller: I have the second report to which you are referring here. In fact, I had talked to the Minister of Labour today and told him this was quite available to you to have and look at, and it is available to you. You can have a copy of it instantly if you wish to have it. As far as I know, the first report is also fully available.

Mr. Deans: I have the first report.

Hon. Mr. Miller: We are saying, in the first case—was it four deaths?

Mr. Deans: Four deaths.

Hon. Mr. Miller: An analysis of those deaths showed them to be not related types of death—is that correct?—and they weren't related to the chemicals used, and yet I think the company, or at least one of the companies—there were two involved; Westinghouse was one and General Steel Wares was another that I recall, back in May or June, whenever we were talking about this—has voluntarily changed coolants—

Mr. Deans: Yes, I agree.

Hon. Mr. Miller: —even before the results were in. The second coolant is one that is widely used in industry. It says here:

> All over the world, there have been no cases of occupational illnesses attributed to this material. A TLV (threshold limit and value) of five mgm per cubic metre has been set to reduce complaints [rather than based on a health hazard, simply for nuisance value].

They have set a tolerable level, a threshold level for nuisance, rather than for health. It goes on:

> There were no additives in the oil found in the factory and there was nothing added by the manufacturer himself and, in the opinion of the staff, under normal working conditions there should be no health hazards in the use of this crude.

As I say, there are a couple more pages of material here showing individual machines, the levels of the coolant in the air around them and so on. You are quite wecome to it and I invite any questions you may have, if you are not satisfied as a result of the answer.

Mr. Deans: I assume I am right, but that is on the existing code, the one that is used now. Okay. Are you able also to provide me with what I would choose to call the methodology—I don't know what the actual term might be—on the first tests that were conducted on the coolant that was suspected to have contributed somewhat to the demise of four of the people who worked in the plant.

The reason I am asking, is I read the first report. I got it here in May or June, as I recall. I got a medical opinion on the properties that were set out and I was told that two of the properties in themselves were hazardous, though in the quantity used were

likely not to be hazardous. The question I have for you is that what might not be hazardous under normal conditions could have an adverse affect on someone who had an already weakened condition. There is more at stake than just sort of deciding whether or not that coolant can or can't be used.

I am really quite concerned about the families of these people. If there is even the remotest possibility that that was a contributing factor to their death, then those families are entitled to compensation. In addition to that, there are many other people who have worked in the workplace who might also be entitled to compensation as a result of that. I can remember asking the original questions about the coolant, and then within maybe six or seven days the report came back that the coolant was fine. I just don't know what kind of study was conducted into the use of that coolant to determine in that short a period of time exactly what effect its prolonged use would have.

The minister worked in the paint industry, as I recall. In the paint industry you work in fumes, and if you work in fumes, the fumes sort of surround you—envelop you is the word—and you spend a lot of time in them. If someone were to test the paint, just simply test it, they may find that its properties in themselves really were quite harmless, but if one worked in that atmosphere over a long period of time, the properties could have an adverse affect on an individual.

I am curious to know whether there was an adequate study conducted; whether that study took into account the period of time the workers were exposed to it; the pressure under which they were working; and their own general health conditions at the time. It may be that that was a contributing factor, too, and might have changed the effect of the actual coolant itself on the bodies of those people.

Hon. Mr. Miller: Mr. Chairman, I have to say I am never satisfied that we have enough data to be totally sure about these problems. I know Dr. Tidey has been virtually driven to distraction in the last year with the shortage of staff and a large number of problems.

I have learned you don't suddenly create people competent to deal with these kinds of problems. You can't even recruit them, if I understand the problems accurately. We have been doing our best to recruit the people to help us.

Certainly in this case it wasn't only our own testing procedures that were used to satisfy the first report. We drew as well on information on that coolant and its use in other places to provide a fairly good appraisal of the cause of deaths of the people who were involved.

As you know, when there is an occupational hazard that exists, the causes of death are similar and they are usually in the same organ or of a similar type.

So that I think that the statements were made in good faith, based on the evidence we had.

Mr. Deans: I am not questioning that.

Hon. Mr. Miller: No, I know that—and they probably were accurate within our competence to deal with it. If we could always be sure that a clean bill of health was possible, I think we would be very much happier in our posts than we are.

I'm sure these people have to continue to be suspicious, as we are, of any possible hazard. In this case, they were as satisfied as they could be, based on their studies. I think I would rather set up an interview for you with these gentlemen to discuss it than just let you become aware of it.

Mr. Deans: That would be best.

Mr. Chairman: The hon. member for Thunder Bay.

Mr. Stokes: All right. Before we pass this vote, Mr. Chairman, I want to find out something from the minister. You are setting up these health councils and you have undertaken to do that in the district of Thunder Bay, where appointees of this ministry are going to act in an advisory capacity to your ministry to try to determine what the health requirements are for people living within the Thunder Bay district over a period of time.

You have an area co-ordinator of health services in the person of Dr. Baldwin, who knows a lot of the problems in the north. He has had an ongoing dialogue for the last two years, to my knowledge, of medical people and those who are responsible for the delivery of those systems.

I am wondering what kind of terms of reference—now I've seen them in very vague and broad terms—what kind of terms of reference are you going to give to the people on those district health units? I won't say they will have complete autonomy, but surely they must have a job description or terms of reference that will enable them to make

representations on our behalf to your ministry with a little bit more clout than that of an advisory committee.

The reason for my saying that is this: ever since I have been down here in this Legislature I have talked to a series of ministers of health, bringing to their attention the acute needs of providing adequate dental and medical facilities, paramedical facilities to many areas, which for a number of reasons can't afford or can't attract the kind of services that you people down here take for granted.

I want to know what your ministry is going to do by way of commitment to provide the services so badly needed in those areas.

Mr. Chairman: May I remind the member you are really back on vote 2801?

Mr. Stokes: I am talking about health protection under item 1 of 2802.

Mr. Chairman: Okay, health protection, you are right on it. Health services was in the last vote.

Mr. Stokes: I am talking about official local health agencies and grants under the authority of the Public Health Act totalling $26 million. What are you going to do by way of meeting those needs, whether it be a permanent facility or some other? Let me give you an example.

My own municipality of Schreiber was told its ability to attract a doctor would be much enhanced if it would undertake to build some kind of clinic which could draw people together and provide a base of operation for a doctor. We are told by our consultants, and people much more knowledgeable than either you or I in that field, that's the necessary first step. We are talking about an outlay in excess of $100,000 for a small community with a very narrow tax base. But it was absolutely critical to the whole situation that it come up with those kinds of funds just to attract a doctor.

When we ask for funds from your ministry or some other agency of this government, they are just not available. If we hadn't been able to take advantage of the federal winter capital fund, that project wouldn't have gone forward. We were very fortunate that there happened to be a scheme that assisted at least with the cost of labour.

But what about many other communities in the north that didn't have that particular source of capital to rely on? I am not trying to create the impression that you have done nothing, because there are two such facilities —one in Nakina, a small place along the north line of the CNR where, with some capital funds from your ministry, plus very good co-operation from the MOH and the district health unit, they have got what they think is all they can afford. They don't have a permanent doctor but they have a doctor who comes in once a week from Geraldton and it's working relatively well.

We have another one where we got $10,000 through the experiment at McMaster University for the small town of Savant Lake. We are in the process of trying to get water in this small clinical facility. Hopefully, we will be able to attract a doctor from Ignace, 80 miles away, to serve that on a weekly or twice-monthly basis. That's fine as far as it goes. But what about the other areas where there is no service at all? I am thinking of a place like Armstrong, where you have promised that you have names of 46 doctors willing to go in there to see that they are given service.

Hon. Mr. Miller: Now 70.

Mr. Stokes: Now 70, but you still haven't got a facility. There is a small trailer there. I don't know how adequate it is. I haven't been in there for several months and I don't know whether they have got the windows all punched out of it or not; that sometimes happens in some of hese remote communities. But what about a place like Upsala. 90 miles from Thunder Bay? What about small communities like Jellico; Pickle Lake and Central Patricia, that I drew to your attention last night? The native people living on the Osnaburgh Reserve have a much better facility. The people in Central Patricia and Pickle Lake could cry discrimination in reverse. There is an excellent facility on the Indian reserve at Osnaburgh that isn't readily available to the people who are paying OHIP premiums 20 miles away. They must travel 347 miles in order to avail themselves of an existing service.

What kind of direction is the minister going to give to the district health unit to see that these needs are met? I don't like to keep harping on this year after year and in every vote that I can relate it to. I want to get some kind of a commitment from the minister if I can, to see what kind of direction he is going to give to these health units and say: "I want you to come up with answers to these kinds of problems". If the minister can give me that kind of commitment I won't say any more.

Hon. Mr. Miller: I think if I read the question, it fell into two parts. What were the terms of reference of a district health planning council, and what help will be given to small communities for a capital plant? Is that it?

Mr. Stokes: It's a good start.

Hon. Mr. Miller: The district health planning council is a new idea in the sense that we have composed it. You are number two to be formed in Ontario. Number one was Ottawa-Carleton. Dr. Mustard has sketched out in general terms what we think the functions of the district health planning council are, but these, of course, require some degree of definition through actual operation.

The Ottawa-Carleton Health Planning Council, in fact, has embarked upon a study of just that. They're getting the detail worked out at this point in time using a consultant to help them. We are encouraging that because we realize that there will be some cutting and trying as these start to function. You don't start something that hasn't existed without doing that.

I'll be honest and say we may be wrong. Maybe they won't work but the total weight of opinion—of people and studies, it's one of those things which has been studied to death—always said it will work.

Therefore, rather than talking about it, we are creating them in the full knowledge that (a) we may have to change the models as experience dictates and, (b) the models may not work. I don't know of any other way to find out, though, except to try. So we're dealing with areas such as yours which is showing the willingness to try, rather than with areas that may be reluctant to try at this point in time.

What are the basic duties? To take an inventory of the health care facilities in the area served.

Mr. Stokes: I can give the minister that right now.

Hon. Mr. Miller: All right. It's not that easy.

Mr. Stokes: I can count the number of dentists on the fingers of one hand, the number of doctors on less than two of them.

Hon. Mr. Miller: I am talking about the health planning council area which includes the city of Thunder Bay.

Mr. Stokes: Yes.

Hon. Mr. Miller: Okay. As to inventory, not only the people, the manpower, the facilities, but to start looking for the deficiencies in the system, the needs of the area, the priorities of the area, the duplications in the area. Then, from that, we start forming a plan based on their estimate of local needs right down to, and possibly including—if you follow Dr. Mustard's suggestion—the allocation of manpower into given parts of the area. That's his recommendation right now. It's one of those controversial ones. We, as yet, haven't said that is one of the roles of the district health planning council. It may well become one, if the bulk of opinion says it should.

So those are basically the functions of that council. We've had some experience in other areas such as Hamilton. I referred to that last night in talking about where a health planning council has existed—not the model necessarily which we talked about, but there was no model to go by. It has been very effective in preventing some of the things that the member for High Park (Mr. Shulman) referred to last night in Toronto when he said: "How many cardiovascular surgery units do you need in a city? How many of this do you need? How many of that do you need?"

We have found that where people in a given area sat down to determine these problems, even on a voluntary unstructured basis as they started out in Hamilton—it become structured as time went on—they've really solved many problems for us. Therefore, we're convinced that we're working in the right direction.

The second thing, the capital plan. One of the costs built into the OHIP fee schedule is the cost of real estate. I think you would agree that we have allowed—I think the doctors tell me that 40 per cent of the fee schedule covers their overhead.

Mr. Roy: It depends where the doctor is.

Hon. Mr. Miller: Well, I am just suggesting this is a figure. I don't know how accurate it is but it seems to be a figure—

Mr. Roy: I will bet you on an average it isn't 40 per cent.

Hon. Mr. Miller: I don't know whether it is or isn't. I am only saying that built into the fee schedule is a component for all those things that make up for the operating costs of running—

Mr. Stokes: You have a fee schedule and yet you have specialists on your team saying

it is absolutely essential that municipalities provide a facility for a doctor to practise.

Hon. Mr. Miller: Okay. I realize that. That doesn't mean that the person using that facility isn't paying the cost of that facility. I think you will find many communities that provide these community health centres for doctors who are in residence in that community.

Mr. Stokes: Operating costs but certainly not capital.

Hon. Mr. Miller: They have to pay a rent for that facility to that organization. The amount of rent they pay is related to a number of things: How badly did the group that sponsored that clinic as a community service want to recover its money? In other words, how badly did they need a doctor? Things of this nature. But to date the way we pay the doctor allowed for the cost of paying for a fair share of that facility.

In other communities—was it Nakina you said?—you know that a doctor can't come in and be justified in that community. Then we have an entirely different responsibility and that's why you have got money from us under what we call the demonstration project system. So we are trying to be flexible, but I can say safely that that kind of decision would be much easier when the health planning council was giving us advice.

We have limited funds for these things as yet, and we are not filling all the need, be we are trying to in certain areas that are desperate.

Mr. Stokes: I don't want to belabour it but I just want to impress upon the minister that I represent the largest riding in the Province of Ontario—110,000 square miles. There are just in excess of 30,000 people but we have four dentists.

Mr. Roy: Tell us how many lawyers you have.

Mr. Stokes: We don't have any lawyers, thank goodness, and we only have four dentists. You know, that is the magnitude of the problem. I realize you can't have a doctor and a dentist in every small hamlet where people choose to live, but in the absence of that why don't we have more arrangements like Nakina and Savant Lake? Why don't you have paramedical teams who can go in there and sort of monitor things for health protection and disease prevention? That's all I am asking; I don't think it is too much.

Hon. Mr. Miller: I don't either and I may say that is our objective, too.

Mr. Chairman: The hon. member for Welland South.

Mr. R. Haggerty (Welland South): Thank you, Mr. Chairman. The question I want to ask the minister deals with the uranium milling in Ontario. I am sure he is well aware of the radioactivity that has been permitted to enter our watercourses, lakes and rivers in northern Ontario. What precautions are you taking that there is no serious health effect in this particular instance?

Hon. Mr. Miller: You are talking of the environmental pollution rather than—well, again we act as advisers, as you know, to the other ministries who have the authority to do something aout it. We have certain real problems in the north in same lakes, as you know, too.

Mr. Haggerty: That is what I am trying to get at, Mr. Chairman—the problems up in that area. I would like to know just how serious it is. We can't get the answer through the Minister of the Environment (Mr. W. Newman) because he usually says the matter comes under your department.

Hon. Mr. Miller: I was just checking with Dr. Tidey and it is his opinion, and I am sure it would be my opinion, that we are monitoring the situation and we feel there isn't currently a health hazard problem from those sources.

Now let me point out that within the mines, which is an entirely different problem, we have had very real problems, but I understand that the latest tests show that the radon daughter problem within the mines is pretty well under control.

It being 6 o'clock, p.m., the House took recess.

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No. 110



Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Ninth Legislature

Thursday, October 31, 1974

Evening Session

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

THE QUEEN'S PRINTER
PARLIAMENT BUILDINGS, TORONTO
1974

10

Price per session, $10.00. Address, Clerk of the House, Parliament Bldgs., Toronto

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, OCTOBER 31, 1974

The House resumed at 8 o'clock, p.m.

ESTIMATES, MINISTRY OF HEALTH
(continued)

On vote 2802:

Mr. Chairman: On item 1, the hon. member for Welland South.

Mr. A. J. Roy (Ottawa East): Is it my turn?

Mr. R. Haggerty (Welland South): No, sit down, you rabbit.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Oh, you're priceless!

Mr. Haggerty: One of these days I'm going to get a sledge hammer to get his attention.

Mr. Chairman, before the recess, I asked the minister a question about the uranium mines and milling operations around Elliot Lake and about the radioactive waste that has been dumped into the rivers and lakes in that particular area. I want to know what the minister is doing to try to bring it under control. As I understand it, there have been some problems with it in the past. Would the minister like to give us a little more information on the level of contamination?

Hon. F. S. Miller (Minister of Health): Perhaps I misunderstood the beginning of the question. Did it refer to the mines or the environs of the mines?

Mr. Haggerty: The radioactive waste that's being dumped into the lakes and rivers.

Hon. Mr. Miller: I really feel, with great respect, Mr. Chairman that question is a question for the Minister of the Environment (Mr. W. Newman) I've been told by my staff that we've been monitoring the situation from a health hazard point of view, and that is our duty.

Mr. Haggerty: Well, that's what I want to know. What health hazard is involved there?

Hon. Mr. Miller: Well, I thought I had said before supper that our ministry was satisfied that there was not a health hazard existing at this point in time. But it's being monitored at all times.

Mr. Haggerty: Can you give me some of the levels of contamination then? If you're monitoring, you must have some information.

Mr. F. Young (Yorkview): He's got the report.

Hon. Mr. Miller: Well, I am told the monitoring report will be available Nov. 1, which is tomorrow. I will be back for estimates on Tuesday, I understand, but whatever day it is I'm back on the floor, I'd be pleased to provide figures at that time if the hon. member will permit me to wait until that point.

Mr. Haggerty: Well, since I've waited this long, I can wait another couple of days.

Mr. Chairman: Shall item 1 carry? Carried. Shall item 2 carry? Carried.

Vote 2802 agreed to.

On vote 2803:

Mr. Chairman: Item 1, health insurance.

Mr. Roy: Yes, Mr. Chairman, I would like to make some comments about this item and to discuss it with the minister. I made some comments in my opening remarks and in the general discussion of his ministry's estimates we discussed what steps could be taken in this area to curtail costs.

The minister has been going around the province in the last while speaking about his concern about the question of costs.

In his speech that I quoted yesterday—I think it was a speech made on Oct 1—he mentioned that one of the ways to curtail costs in terms of health insurance relates to the number of physicians. We've also discussed the fact that the open market system of supply and demand unfortunately does not apply to a universal health plan, in that if you add more doctors to the system you can readily see the costs increasing, and you don't really get a competitive atmosphere in that field.

(We have talked about the number of physicians, and I think the minister is in agree-

ment with me about the question of foreign doctors coming into the province I think we're also in general agreement about expanding our medical schools and keeping this doctor-per-patient ratio somewhere in the area of one to 600.

The big problem, of course, is the matter of distribution. Before I leave the question of the number of doctors, I would like to ask the minister what he is doing about this question of distribution across the province.

I understand there is a plan that has been operating for some time where you pay a flat minimum rate to physicians to go to a particular area. I would like to know from the minister, firstly, what do you pay them? What is the basic guarantee that you give a physician to go to an outlying area?

Secondly, are you satisfied with that programme? I suspect that you are not, and that there has to be another system whereby you encourage people to go to outlying areas. Thirdly, there is the problem we discussed the other day, the question of the OMA saying that the government has no say at all in where a doctor is going to set up his practice. I'd just like to have answers to these questions, Mr. Chairman, and I can proceed with some of the other points on the question of health insurance.

Hon. Mr. Miller: Mr. Chairman, I had the feeling that perhaps this discussion really wasn't a health insurance discussion.

Mr. Roy: What is it?

Hon. Mr. Miller: Perhaps we are back on the first vote again. I think I can talk about dollars, but I think the question of the distribution was properly dealt with in an earlier vote.

Mr. Roy: That may well be. Okay, let's talk money.

Hon. Mr. Miller: Yes, we have a salary guarantee of $33,000 a year in the northern part of Ontario for physicians practising in designated areas, and a salary guarantee of $28,000 a year for those practising in southern Ontario. As you know, the line of that is across North Bay and that general meridian, if you want to put it that way.

Mr. J. E. Stokes (Thunder Bay): You finally agreed that you are—

Hon. Mr. Miller: When it comes to getting any money I'm obviously south of the French River. I'm still in northern Ontario by my standards.

Mr. J. M. Turner (Peterborough). You are not ashamed of the rest of us, are you?

Mr. Stokes: You finally found a home.

Mr. Roy: Could we get those figures on salaries for northern Ontario?

Hon. Mr. Miller: Thirty-three thousand dollars.

Mr. Roy: And for other areas.

Hon. Mr. Miller: Twenty-eight thousand. There is a grant structure which I believe is phased in over a few years, and I would be pleased either to give it to the member for him to keep or try to decipher it here. It may be safer, if you are really interested in the results, if I gave them to you to keep, because they are printed and you can have them.

Mr. Roy: That's most generous of you.

Mrs. M. Campbell (St. George): It is Halloween.

Mr. Roy: You can send it.

Hon. Mr. Miller: This was the trick rather than the treat. You can have it.

Mr. Roy: Are you satisfied that the plan is working adequately?

Hon. Mr. Miller: Yes, as a matter of fact I am very satisfied that the plan has done a great deal to relieve the 175 areas that we've designated. They are not all in northern Ontario. When the plan began it was assumed there would be no designated areas except in northern Ontario. We quickly learned that places near Windsor, for example, would claim—all of a sudden a member has opened his eyes.

Mr. R. F. Ruston (Essex-Kent): They were open.

Mr. Stokes: Yes, people had to go 30 miles for medical care.

Hon. Mr. Miller: Yes, well the fact remains that there were areas in southern Ontario that were deemed to be underserviced and so we had the plan split for northern and southern Ontario.

One talks about relative success rather than total success, but what I mentioned last night is that while we have between 40 and 50 designated and still unserviced areas, from a medical point of view, we had more physicians committed to go to these areas that we really had to have, already in the medical

schools of Ontario, already under a contract agreeing that they would put their time in there. So, yes, I think it has been a success, and I have to say that when I talk to other health ministers in other provinces they are looking at our scheme with real interest because they too face these problems.

Mr. Roy: I understand when you talk about success it is certainly a relative thing. The consensus that I get when I talk to people across this province and to many members of the profession, is that you have certain inequalities. We've heard the member from that area talk about the services in the city of Kingston, but the minute you get outside the city of Kingston, somewhere between Kingston and Ottawa, there are many, many centres where the ratio just jumps right up. I think Kingston has one of the lowest ratios of—

Mr. Chairman: You are talking about health services. We discussed that in vote 2001. We are on health insurance at the present time.

Mr. Roy: I am just making a prophecy about—

Mr. Chairman: If you would like to relate it to health insurance, then carry on.

Mr. Roy: Yes I will. If you just hang on a second you will get to follow the trend of my argument here.

Mr. Turner: He wants to make a speech, Mr. Chairman.

Mr. Chairman: Don't ask me to hang on too long.

Mr. Roy: Look, I've hung on here all day waiting for other people to make speeches, so just hang on.

Mr. Turner: So he is going to take his chance now.

Mr. Roy: In any event, Mr. Chairman, the point I was trying to make is, are you considering at all, through the health insurance scheme, having a different fee for service in different areas of the province? Has that been given any consideration as an incentive to get people to go elsewhere?

Hon. Mr. Miller: Not recently. But I have to say it has certainly been a proposed means of getting physicians to go where you need them and it is certainly not one that has been rejected out of hand. There have been suggestions made by people who are looking at the problems and trying to resolve them that you could pro-rate the OMA fee schedule by a factor or have a factor multiplying it to serve the needs of the various parts of the province. You might have a 0.8 factor in one part of the province and a 1.2 factor in another. Do you follow me?

I'm saying that was one of the academic—that's not a good word—that was one of the alternatives that have been thought of by people who are looking at the problem and saying how, without legislation forcing people to go to a specific point, do you induce them to go where you need them?

We have tried this within our own ministry. If I'm not wrong, we have a different payment schedule authorized for, say, psychiatrists in the north than we have in the south because of the same problem. We had difficulty in getting these people to go where they were needed, so we paid what I think was a 20 per cent bonus.

Mr. Roy: On their fee?

Hon. Mr. Miller: No. I am talking about those who are employed by the Ministry of Health in the provincial hospitals.

Mr. Roy: Oh, I see. Okay. If I may move to the next point, and that is a question of the percentage of that total budget that goes to what we consider to be primary health care. As you know, the Mustard report and a number of other reports talk about the question of the distribution of the total budget here of some $634 million. The concern of many people looking at this budget and the distribution of it is that too much of this money is going to the specialists and not enough of it is going, let's say, to the family physician. Going back to the question of primary health care, I have figures here which seem to indicate that the primary health care services get something to the tune of about nine per cent of the total health care budget. In a sense, Mustard seems to suggest that that should be your key. This should be the area where you have control. This is where people approach the plan, generally speaking. That is the door to the plan where you have not only the doctors but related health professionals within the field, and from that point you go to the specialist when required.

I'm just wondering what your ministry is doing to bring a better balance. In other words, within the health insurance budget, is there consideration being given to encouraging this approach? I know we talked yesterday, on this point about the problem of

specialists, about too many specialists in a related field and not enough in another and not enough family physicians. I would just like again to get your comments on that point.

Hon. Mr. Miller: Last night I was asked some questions by the member for High Park (Mr. Shulman) who was challenging me to say that he had got a fair shake as a general practitioner and that basically the primary care person had got a fair shake in the last round of OMA fee changes and the 7.75 per cent increase in the fee schedule. Although I am sorry he is not here, I do believe I turned out to be right and he turned out to be wrong in his interpretation of the specific ones that we were talking about last night. I want the opportunity to discuss it with him.

One factor that I could point out is that while we gave a 7.75 per cent increase to the medical profession, effective May 1, 8.85 per cent was the average increase to general practitioners. Therefore, presumably, somewhere around 6.75 or 6.65 per cent was the increase to specialists. I can't be sure of that, but one could argue it.

That is based not on any given fee change but on the computer printout for the mix of billings that the general practitioners and primary care people are putting into the system, if you understand what I mean. On the average, general practitioners should have got roughly 1.1 per cent over the 7.75 per cent we gave the profession as a whole. We still feel, within limits and within the scheme of the way we are doing things now, that the actual individual fees are a matter for the medical profession to decide and the total cost of the medical package is our business to decide. Okay?

Mr. Roy: What you are saying basically is that here is your budget and you split it up the way you feel best. Do you think that is adequate?

Hon. Mr. Miller: Look, it is fine to say it isn't, but is it not better—? That reminds me of the father whose will to his two sons said one son would divide it and the other son make first choice—to keep them both honest I guess. In this instance both groups have to discuss the impact upon their salaries within the numbers of dollars we are willing to spend—we had stated that we wanted the emphasis on general practitioners. This was borne out by the fact that they perhaps got almost a third more increase than the specialists did.

Mr. Young: Not in money terms. In money terms?

Hon. Mr. Miller: Yes, in money terms.

Mr. Roy: But unfortunately very often the profession—and I am talking not about the profession as per individual, but let's say the Ontario Medical Association—we are talking about the problem of how in this province it has sometimes been too slow to react to the community need. For instance, do we have enough specialists or do we have too many people in this specialty? Should we be having more family physicians?

They are not as sensitive, for instance, as you as a government should be as politicians, as people who represent the people. So if you leave it up to them we see their slowness to adapt to the community need. Of course, if you are paying a specialist more you are going to get more people going into the specialties. They lead a better life and are working more secure hours, then of course the incentive is to have more specialists. I am just wondering whether you are not giving them—I am not saying they should be treated like children and given directives every day—but on the other hand it is the taxpayers' money. You as the minister should know what the community needs.

With respect to the medical profession, maybe they should not always have the last say as to how the money should be divvied. I think you should have more to say than just giving them a global budget.

Hon. Mr. Miller: I think we may have more influence than may appear at first sight, but we are not simply legislating it—we are doing it by discussion. We have this Clawson committee which gets into the discussion of all these things and a great deal more is done by this kind of negotiation than by arbitrary, regulatory steps, I would say.

We negotiated a pay increase package with the medical profession this year that we can be proud of, from the point of view of the other increases in salaries that have gone through in other areas of the health care field. They hadn't had a pay raise for two years at the time we negotiated—or three years I think, at that point.

Mr. Roy: Yes, but they are still making an average of $40,000 a year.

Hon. Mr. Miller: Okay. I simply turn the question around to you. Lots of people who were demanding 12, 14, 15 and 20 per cent pay increases were also being—

Mr. Stokes: Oh yes, but you can't base it on percentage terms, you have to do it on dollar terms.

Mr. Roy: Mr. Chairman, I intend to move to another point. The only comment I would like to make to the minister is that he may well be proud of the agreement that he reached with the doctors in relation to fee increases. But because of his accessibility and his easiness in giving the doctors these fee increases, and not having considered the hospital workers who were caught in a bind and the nurses and everybody else within the system, then the minister left himself open for increases all the way up. I felt that the increases should have been negotiated much sooner for the hospital workers and the nurses and the technicians than those for doctors.

Mr. Chairman, I just want to ask the minister this question: Are you satisfied now with the regulation and the discipline being taken by the profession in relation to abuses in the health insurance plan? You recall that your predecessor had great difficulty with, or experienced headaches in relation to certain doctors who had abused the plan in relation to their billings. We had lengthy discussions in this House here about charges that were going to be laid. They had been given to the Attorney General, apparently—this information and the decision as to whether some of these people should not be prosecuted for fraud.

The first question is are any going to be prosecuted for fraud? Secondly, as it would appear that that is not going to be the case, are you satisfied with the way the profession itself disciplines its members, and have in fact the abuses been curbed, because of the actions of the profession?

Hon. Mr. Miller: Well, action has been taken to prosecute a certain number of physicians for fraud. I believe the number is seven.

Mr. Roy: Any convictions?

Hon. Mr. Miller: No convictions yet. At the same time, I would say the medical review committee, which has been the agency —the practitioner-review group—looking after the physicians who were suspected of incorrect billing practices, had been extremely successful. It is not at all popular with a good number of the people in the medical profession. It is made up of medical practitioners and is run as far as I know by the College of Physicians and Surgeons. It takes the information handed to it by OHIP, makes a decision which is binding, as I understand it, upon the general manager of OHIP, and then follows out the instructions of that committee.

Now, I personally see every single report of that committee. They all come to my desk, with a report on whether they found the physician who was suspected of billing incorrectly or excessively or whatever it may be, or fraudulently, and it tells us the findings of their study, and it gives a recommendation to the general manager saying: (a) we found nothing wrong; therefore pay this man's bill, or (b) we found that 52 per cent of his general assessments should be billed as office visits, or something of this nature; therefore take the following action to recover it—things of this nature. I think the most important effect has been its deterrent effect, rather than its effect in bringing people to court or recovering money.

Mr. Roy: Do they publicize their findings?

Hon. Mr. Miller: No.

Mr. Roy: Why not?

Hon. Mr. Miller: Well, I think that there are very good reasons why they should not be published. I think it is not the kind of information that would be in the general public good.

Mr. Roy: One of the best deterrents for keeping people in line, according to anybody who knows anything about justice, is the fact that matters are dealt with openly and the public is made aware. The dental association, as I understand, publicize much of their discipline against abuses. The lawyers publicize their—

Hon. Mr. Miller: They are publicized.

Mr. Roy: You say the discipline that is taken against the doctors is publicized? Well, that is what I wanted to know.

Hon. Mr. Miller: These are not disciplinary actions. These are actions to determine whether the billings were correctly done and whether the services were rendered as shown. Now, if there is fraud, that is a different thing altogether, isn't it?

Mr. Roy: Yes. Well, we have had individuals we have read about in the paper who, let's say, saw 150 patients in one day or in one afternoon when it was absolutely impossible to see that many. Once the finding is made and the reimbursement has to be made to the plan or you decide to prosecute him or not, is that finding publicized?

Hon. Mr. Miller: No, it is not. At least, we don't make them public—in other words, we don't publicize them, but if there is a reason for a disciplinary action, then it goes through the normal route and that is initiated by the college.

Mr. Roy: By the college.

Hon. Mr. Miller: Yes.

Mr. Roy: I asked you a question in my opening remarks and I wonder if you are in a position to answer it now.

I asked if you had figures to show the percentage of population which takes a large percentage of the global budget, for instance health insurance. In this health insurance programme, payments to the doctors and other professionals cost $634 million. Are you in a position to tell me, whether, generally speaking, about 25 per cent of the population take up 75 per cent of the budget, or something along that line? Do you have figures on that?

Hon. Mr. Miller: I was just checking with the general manager of OHIP to see if we have this kind of data breakdown. We have all kinds of data on file. The patient profiles are basically there. Some day I think you would be interested to see how an OHIP office records information. As the opposition critic, you should know.

Mr. Roy: You talked about curbs. You know there's great concern about the rate of increase of the global budget, not only the question of health insurance but on the question of hospitals and the amount of money that costs, and the rate of increase. Are there any curbs or constraints at all on the general public in the use of health insurance?

Hon. Mr. Miller: No, there aren't. That's one of the areas that is difficult to do much about. You are talking about action against a patient who is an abuser of the system.

Mr. Roy: I am not talking about action.

Hon. Mr. Miller: If we found out they were getting things like general assessments too often at the same place, we have a mechanism, don't we? We have three a year? One a year. And two reassessments. So we have a total of three. In other words, if you kept going to see your doctor and saying, "Look, check me over and see how I am," we have a procedure by which the IBM—I must never use a specific company name; what do they call those things besides IBM?

Mr. Roy: It was IBM.

Mr. Stokes: Computerization.

Mr. Roy: You had the right name. It is publicly tendered now so you can talk about it again.

Hon. Mr. Miller: It could be something else. The computers do store that kind of information. For example, if you have had an appendectomy and you are billed for an appendectomy, the machinery has to grind out the fact that you only have one appendix.

Mr. Roy: I appreciate that. But I am sure I have read that there's a relatively small percentage of the population who take up a very large percentage of the total budget. You will recall back in the days of the Liberal government in Saskatchewan, Premier Thatcher tried to put a deterent fee on the use of it. What happened to him, of course, was he lost the next election. But aside from the fact—

Mr. J. R. Breithaupt (Kitchener): Would you like to do the same?

Interjection by an hon. member.

Mrs. Campbell: That's one way of putting it.

Mr. Roy: You talk about the general assessment. That's an improvement, because I recall your predecessor, Mr. Lawrence, saying they had evidence that certain 18-year-old individuals would get three different assessments in the same week from three different doctors. That must have been changed since. Are there any other curbs or limits to the use of the service by a patient?

Hon. Mr. Miller: Not that I know of. But I think you have got an incorrect assumption if you say that a small part of the population utilizes the greatest part of OHIP. I am told this is not so. If we change it around and look at the ages of the population using OHIP, we have a more meaningful picture of what's happening. I have seen figures on the relative usage of the system by the various age groups. I can't remember exactly what they are. But it seems to me the under-25 age group uses one quarter as much as the over-65 age group.

Physicians often ask what you are going to do about the patient profile, and what action you are going to take against the person who shops from doctor to doctor. But it's pretty hard to do anything because you are dealing after the fact in most cases,

aren't you? I am told we have statistics that say it is not a problem in that sense—

Mr. Roy: It is not a problem?

Hon. Mr. Miller: Yes, if the statistics are there perhaps I can—

Mr. Roy: The reason I ask is that my discussions with the medical profession and many people around the field suggest that a good percentage of the people who come to see them and fill up their schedule and cause their working 15 hours a day and seeing this large number of patients per day, need not be there. They get this day in and day out, week in and week out.

Hon. Mr. Miller: The hon. member for Oshawa might correct me, but I've heard that about three-quarters of the people who have services rendered by general practitioners are deemed to be psychological rather than medical. I don't know if he's going to nod his head up or down or sideways or backwards.

Mr. Roy: He doesn't want to answer that.

Hon. Mr. Miller: I was looking for my one point of assistance from you. We were just saying that, in fact, we heard doctors say that perhaps up to 75 per cent of the services they render to people in their offices are of the reassuring or psychological type, rather than of the medical type.

Mr. C. E. McIlveen (Oshawa): I think 90 per cent would get better without them.

Hon. Mr. Miller: Well, I don't know whether we want to use you as an example. It's an awful admission to make in public.

Mr. Roy: It would appear that the only curb—but you say that is not a problem. The medical profession seems to think that it is.

Hon. Mr. Miller: Well, quite honestly, you and I attended a psychologists' meeting last January, I think it was, in Ottawa. He was their classic case.

An hon. member: He's beyond hope.

Hon. Mr. Miller: Their argument was the cluttering up the doctors' offices demanding attention, in their opinion—I'm not quoting mine right now—were better looked after for their fears and anxieties by the psychologists. This would take a load off the doctors in their offices. Because they said that as long as you don't treat the basic social problem the person has or his concerns, he remains a medical problem.

Mr. Stokes: Would it be cheaper to send them to a masseur?

Hon. Mr. Miller: You may be right.

Mr. Roy: I'm trying to think of ways to try to keep some control over the increases in your budget and of ways which could improve the system. You've said many times, and we've said to your predecessors many times, if the increases keep going at this rate we're going to bankrupt ourselves with this plan. I'm just quoting you when I'm saying that. It would appear that the only curb on the use of the patient, aside from a few isolated instances, is in fact the doctors themselves. That may be one of the reasons why it's difficult to control the cost. When you increase the number of doctors you can see the geometric progression of the cost of the plan very easily.

I think that should be looked at, frankly. Because as unpopular as it might be, I think you're better off with a plan which might not be found universally acceptable, but at least it's a plan that works. As you've said yourself, if we keep continuing at this rate, somewhere along the way somebody's going to have to take much harsher measures to bring it back into line.

The other point: Do you think any money could be saved at all on the question of remuneration to the doctor? This famous fee for service? I'm not talking about forsaking the fee for service completely, but as you know, Mustard again—

Mr. Young: Why not?

Mr. Roy: Basically for this reason, Mr. Chairman. Because if you start putting everybody on salary, the first thing that happens is that then you get people working 9 to 5 or 9 to 4, and you need that many more doctors so you're paying that many more salaries and you're not saving any money.

Mr. J. Dukszta (Parkdale): I think that should be done with lawyers' salaries, too.

Mr. Roy: If you start paying us out of the public funds we might go on salary. That wouldn't be bad. If you were paying us $40,000—I saw some advertisements in the Sudbury paper the other day for a doctor to work in a hospital from 9 to 5, five days a week, $40,000 a year. That's what the going rate is.

But in any event, what I'm talking about is that Mustard has suggested different sys-

tems of remuneration for doctors. For instance, the mixture of annual capitation along with a reduced fee for service. Are you giving any consideration to some of these alternatives? For instance, specialists that are working out of hospitals—how come these people are not on salary? That seems to be a situation where certain doctors, who continue to work out of one particular institution, should, in fact, be on salary. Pathologists, for instance, who are always using hospital facilities and working in a hospital, possibly should be on salary, especially in light of the fact that if you look at their billings it is just fantastic.

An hon. member: They have got it made.

Mr. Roy: Pathologists, radiologists—people like this. What I was wondering is whether you are giving it any consideration or discussing it with the profession. I know this is very touchy with the profession. Again, this is one of the things that they said to you the other day—that the government has no say how they are going to be paid. I suggest to you that when you are paying with public funds, there should be some say by the government as to how they are going to be paid. Are you giving any consideration to saving money by alternative methods of payment like this?

Hon. Mr. Miller: Yes, we are, as a matter of fact, and that goes back to several things. The Clawson committee had as one of its terms of reference the suitability of alternative methods of reference for different specialties or different modes of practice. Now, I mentioned earlier that we had some 23 clinical groups working and that we were talking to another 40 groups, all of whom are talking about different payment mechanisms in direct contact with the patient, either capitation salary or some form of global budget.

We also have been talking about putting certain types of specialists, like pathologists and radiologists, on salary in the hospital system where it is suitable. I think you will find this is starting to be done in a number of cases.

Mr. Roy: Is it?

Hon. Mr. Miller: Yes, it is. I can't give you figures but—

Mr. Young: Could I ask the minister where radiologists and pathologists are going on salary in hospitals?

Hon. Mr. Miller: Other than fee for service, you mean? I think in my own area, as a matter of fact, there is one pathologist who I understand is paid a contract fee for coming and doing the work.

Mr. Roy: Contract?

Hon. Mr. Miller: Yes.

Mr. Roy: But not on salary.

Hon. Mr. Miller: Well, it is a contract, which is not a fee for service. In other words, it is a mechanism of payment that is not necessarily related to the number of specimens that he personally examines.

Mr. Roy: If I could just follow up on this, Mr. Chairman, the last point I want to raise is the question of payments. This is something that I had raised with your predecessor, (Mr. Potter) that certainly this is something that should be considered. I am surprised, Mr. Minister, that this process in relation to salaries to certain of these specialists has not been accelerated.

For instance, I was reading in the paper an advertisement—I think it was from Sudbury—where I understand he was to work in emergency, where they work from 9 to 5 five days a week, and I think it was $40,000 a year. Does the ministry have anything to do with that, or is it the individual hospital that decides on putting certain of these people on salary?

Hon. Mr. Miller: I understand in that case it is the hospital that does that.

Mr. Roy: It is the hospital, out of the hospital budget?

Hon. Mr. Miller: Yes. I have some statistics here on group costs that might interest you. The average per capita costs—I think these are for medical payments only. By "groups" we mean people who have been insured in a group plan, I assume. The average per capita cost of those patients who are in group payment forms is $63.40 per year, I guess. For those like myself who pay directly, it is $75.37 per year. Partially assisted premium people—maybe we should start assisting a lot more people partially, by the look of this—pay $26.77 per year; fully assisted pay $58.39 a year.

Mr. E. R. Good (Waterloo North): That would include over 65?

Hon. Mr. Miller: Those 65 and over pay $72; DVA, $80.19; municipal or provincial welfare people, $61.45. The overall average is $65.66.

Mr. Roy: If I just might finish the point I raised about the question of payment to doctors, I take it from your response that what you are doing basically is waiting on the profession to come up with the initiative. You might suggest it to him but the initiative in a decision, basically, will have to come from the profession about deciding alternative methods of payments.

Like I say, we've mentioned that to your predecessors. I can't get over the fact that the plan here; which started when—in 1968-1969? When did this plan start?

An hon. member: After that.

Mr. Roy: Let's say, for the sake of argument, 1968. A similar plan such as this had been in operation in Saskatchewan since about 1960. So you had eight years to look at the system working and you're getting the same problems here that they had in Saskatchewan. Yet, you seem to be operating here on a hit-and-miss experimental situation, when you've had Saskatchewan to look at for 10 years and when you've had England to look at for however many years they had a system of payment.

Hon. Mr. Miller: Both of those are the very best reasons we have not been moving too fast in the directions they did.

Mr. Roy: Oh yes, but surely whether you adhere to their philosophy on politics or anything else, the system was working down there. Every time you encounter a new problem—whether you're talking fraud on the part of the doctors, or abuses, or certain specialties making too much money or not enough money, or whether they should be on salary—all these problems were encountered in other jurisdictions, yet you seem to be experiencing them for the first time here and reacting accordingly on your own sweet time and making sure that you've had full discussions with the profession.

I suggest to you that there has not been sufficient leadership. There's been a lot of talk. Lawrence has been talking, Potter's been talking and now you're talking about how things have got to get tougher. But, frankly, I suspect that when it comes to consultation and discussions with the profession you really back off.

Hon. Mr. Miller: I'm glad to hear that if you were Health Minister you would have a confrontation with the groups; that you would dictatorially, unilaterally make decisions and ram them down their throats.

Mr. Roy: No, no, that is not at all what I was saying, Mr. Chairman. I'll tell you this. When I look at the amount of money we're spending—when we're talking about a 20 per cent increase in the budget again this year; when you talk about ceilings and their farce, when you talk about a seven per cent ceiling in hospitals and it turns out to be more like 20 per cent; when you've heard a minister like Lawrence talk about the abuses and how it's going to bankrupt us and you've heard Potter, now you're hearing Miller—I'll tell you something, I think something should have been done before and I don't consider that confrontation. I consider that to be leadership.

Mr. Chairman: The hon. member for Yorkview.

Mr. Young: Mr. Chairman, just to continue part of this discussion, the minister has warned us, as the member for Ottawa East has told us, that 16 per cent compounded annually would mean that in 10 years time the provincial health-care bill would be around $11 billion. That's from his speech on Sept. 19.

I would like to ask about one of the facets which we have discussed here before tonight, that is the matter of the procedures offered to the patients. In an "immediate release" from the Ministry of Health we have this: "The increase resulted for October in some 175,000 more patients being treated, and 941,000 more services being rendered in October than September." The November increase mentioned here "was brought about by an additional demand on health care—104,000 more services were rendered although the number of patients treated remained constant." What are these services that are skyrocketing in this manner? Can they be specifically pinpointed?

Hon. Mr. Miller: I think that one needs to get the annual chart that shows the monthly variations in the numbers of services rendered, the number of hospital days and things of this nature. You'll see that we have an annual cyclical variation, dropping to a low point across the summer months and then going up as we reach the fall and wintertime, dropping down around December.

Mr. Young: It drops in December?

Hon. Mr. Miller: Yes. It's simply that in the summertime physicians are on holidays and so are patients.

Mr. Young: They are feeling better then.

Hon. Mr. Miller: Yes. Maybe it's because the weather is better, but there is tradition-

ally a drop in all the factors across those months, and then many things are elective and, of course, can be put off until the fall. I believe we had some hospitals around Toronto that actually had to close wards across the summer because they were not busy enough to justify staying open.

Mr. Young: That's true.

Mr. Stokes: Could you send some of those active treatment beds up north?

Mr. Young: Many hospitals did have to close certain quadrants and I know of some of them.

Could I ask about a situation in regard to pathologists and radiologists, Mr. Chairman? Some hospitals have been trying to get these people to work on salary, and this is why I ask the question, but the organizations that these people represent, say, "No such thing. We are not going to have any of our people working on salary." Even the students coming out of medical school, trained in these techniques, are told that there is a fee for service and that is it.

This is one of the problems we face as far as the costs are concerned, particularly in hospitals, and it may well be that the minister has some solution for this—or is working toward a solution.

I wonder whether or not there is some answer to this matter of a pathologist in his lab testing blood samples. If a bleeding station takes a blood sample, it goes to the lab in the hospital or perhaps to another lab outside, and that particular sample may be tested for one, two, three, half a dozen, up to 20 or more different things. That is, we want to know certain things and so you have a dozen or 20 tests. Is it not true, Mr. Minister, that each one of those tests is paid for separately by OHIP? If so, then perhaps here is a place where we ought to be looking. Could I have an answer to that question about this kind of payment?

Hon. Mr. Miller: I let my attention waiver halfway through and I am not sure I got the full import of your question, but you are talking about laboratory diagnostic tests?

Mr. Young: That is right.

Mr. F. A. Burr: (Sandwich-Riverside): On one body.

Hon. Mr. Miller: I will try to explain what we have done. This is the LMS bit that we have at the present time, if I have my terminology right.

Mr. Young: You mentioned it the other day and I was interested.

Hon. Mr. Miller: Yes, labour, material, supervision. We have taken each of the lab tests that are done and have given them a value in terms of units of work. We price a unit of work at 0.33 cents. If a test is worth five units, then it would be $1.65 that we would pay.

These LMS units were worked out pretty carefully and in general are based upon the best technology available for doing a given test, rather than the way it may be done in a specific laboratory. I don't know whether you have been through some of the more automated laboratories lately, but some of them can handle blood tests so quickly that it curls your hair. That's something I have been trying to do. In any case that has been a major change in the last year in the approach towards the payment of laboratory services in the Province of Ontario. It's now under review because the laboratories have been convinced they are not getting as much money in total as they used to get, and that they aren't getting a fair return on their investment. But we have a mechanism to look at this, and we are doing it. I think their last estimate was they were making 92 per cent of the amount they were before we went to LMS.

Mr. Young: What actual cash amount would be paid for the average test?

Hon. Mr. Miller: I don't know that I have that figure. Do we have a figure for the average cost per test? The average number of units? If we can hold on a second I can get it for you. Do you want to go on with another question and let me return to that in a few moments when we find the page?

Mr. Young: My question is of the average costs for tests and how it is split up. What does the bleeding station get? What does the lab get? And I presume today the doctor who refers gets no part of it—that if he is caught getting something then he is in trouble. I think this is the case at the present time.

Hon. Mr. Miller: Well, you know, we went to a laboratory licensing programme too. I don't know whether that's under this vote or not—

Mr. Young: Well does part of—

Hon. Mr. Miller: I would think it is under vote 2803, item 6, as a matter of fact.

Mr. Chairman: But I think the member for Yorkview is relating it to health insurance.

Hon. Mr. Miller: Again, I can't answer that question off the top of my head, but I think the doctor is only paid for those services he personally renders in the diagnosis and treatment of a patient.

Mr. Chairman: Perhaps the member for Yorkview could save that question until we come to item 6 as far as laboratory services and costs are concerned.

Mr. Young: All right, I can save that part of it. But I am thinking in terms of the amount of money that comes out of the OHIP fund at this particular point.

I would like to ask the minister again—and I suppose this question should come later too—what proportion of the labs and the bleeding stations may be owned by doctors themselves. Let's go into that later, and perhaps we'll get some answers.

I want to ask the minister this: Where we have labs and x-ray facilities in hospitals, is it not feasible that the pathologists and radiologists who are working in hospitals, with hospital facilities, should go on salary? I know this has been talked about for some time, and the member from Ottawa mentioned it, but it seems to me these people are part of hospital staff, and instead of thinking in terms of the units of work done, they should go on salary and be part of the salaried staff.

Hon. Mr. Miller: Well, I can answer that. There is no reason why they can't be treated that way at the present time. The hospital is free to do this. There is a growing number of people electing to do this kind of thing, whether it is in primary care, tertiary care or secondary care.

I only suggest that I am not as yet convinced that there is a saving in money for service rendered by that method. There will be, I think, a saving in a couple of the specialties you just talked about, but I'm not satisfied yet about the others—

Mr. Young: Those are the two specialties I talked about.

Hon. Mr. Miller: I think you have chosen the best two to talk about in terms of the terms of the fee-for-service setup versus the salary setup. I think I would tend to agree that there are a lot of reasons to look at those two and to encourage it.

Mr. Young: What is happening today is that because they can't get the people to work on salary, hospitals are being forced to rent the facilities to the pathologist or the radiologist and, of course, he pays his rent to the hospital out of his fee for service. That's the way it is done.

It seems to me that the more sensible thing would be to work it out on a salary basis, but I think it's going to take some real persuasion or a bit of leaning on the part of a minister on the organizations concerned to accomplish this result.

Hon. Mr. Miller: Well, that is one of the areas where I would think supply and demand will have a great deal to do with the eventual solution of the problem. I think one needs to look at the breakdown; and we have the breakdown here for diagnostic radiology in terms of the amount that is the professional component and the amount that isn't. Radiologists, I am told, have more hidden costs than other specialties, so they don't retain as much of their fee schedule as you may assume they do.

Mr. Chairman: The hon. member for Brant.

Mr. R. F. Nixon (Leader of the Opposition): Thanks, Mr. Chairman. I want to ask the minister a question pertaining to ambulance service, which I gather comes under this item. Specifically, I think the minister probably has been getting some of the mail I've been getting, which has been somewhat critical in a few areas of the decisions pertaining to the awards of the franchises for ambulance service.

Mr. I. Deans (Wentworth): That is the next vote, isn't it?

Mr. R. F. Nixon: I'm sorry. I thought that—

Mr. Deans: That's the next vote. I have been waiting for that.

Mr. Stokes: Yes, there is $18 million for emergency services in the next item.

Mr. Haggerty: Sure. Right on.

Mr. Chairman: We are dealing with health insurance. Does the hon. member have anything to say—

Mr. R. F. Nixon: It says, "Payments for ambulance and related emergency services," —oh, okay. All right.

Mr. Stokes: We will get to you later.

Mr. Chairman: The hon. member for Sandwich-Riverside.

Mr. Burr: Well, Mr. Chairman, I came in and I thought we were talking about how to keep the cost of OHIP down. Is that okay? I come from Essex county where the physicians pioneered in this type of programme. Windsor Medical Services was the pioneer, I think, in Ontario, or at least in at a very, very early stage. They had a very simple system. They took the total amount of their premiums from all the customers and they paid the money out to the physicians on a basis of approximately 90 per cent for the physicians and 10 per cent for the overhead. In fact, I think that is why, when OHSIP started that figure was used, the 90 and 100 per cent.

The doctors in Essex county loved this system, because for the first time they didn't have to worry about collecting the money or, if you like to call it, working for nothing for large numbers of their patients. I know very well a doctor outside of this system in Ontario who worked 50 per cent of the time for nothing. Until OHSIP came in in his part of the country, he was getting $16,000 a year and when OHSIP came in he immediately got $32,000. So the doctors loved this system. I don't see why you couldn't extend this system to the whole province.

This would mean that you would have a definite sum collected in any given period from the premium payers and from the government's contribution. Does the federal government still contribute? It does. You would have a definite sum and this would be paid out to the physicians on a pro-rated basis of approximately 90 per cent. If the doctors were putting in what seemed to be excessive accounts, then they might have to settle for 88 per cent. If a period of good health came along and there were fewer bills, they might go up to 92 per cent. You would allow for the administration off the top, and the physicians would pro-rate the rest of it.

The Windsor Medical Services had a few problems. There was one doctor who always sent in about twice as much as he deserved in bills. The association or the board always paid him 50 per cent of what he asked for and he never complained. The board members knew their fellow physicians and they employed a self-discipline or an inter-discipline upon the members. It worked out very, very well and the people in our area were quite sorry to see Windsor Medical Services discontinued. It seems to me that this kind of a system extended throughout the province would solve your problem of uncontrollable budgets.

All the ministry would have to do in estimates each year would be to provide the escalated budget in response to inflation. That would be your problem. You wouldn't find that you were getting excessive bills every month and going $2 million or $3 million or $5 million over the ceiling that you had budgeted for. This seems to be a very sensible system that we had. It seems to me that you could use this system, adapt this system and achieve your aim of controlling the health budget for Ontario.

Hon. Mr. Miller: Mr. Chairman, to say that kind of system hasn't been considered would not be correct. Let me give you what is currently the way we are paid by the federal government. The federal government pays us a percentage of the actual expenditures for doctors services in the Province of Ontario, estimated at 50 per cent of the national cost. It means Ontario gets a little less—

Mrs. Campbell: Same as Ontario and Metro Toronto. Exactly the same thing.

Hon. Mr. Miller: —because we send more than our share to the have-not provinces. I am not going to argue that particular point. We get a share from the federal government of the actual expenditures to physicians. The OHIP premiums, which are only a small part of our total income, plus the provincial share, plus the federal share, are not a constant. They are variable depending upon the number of people who go for services. The OHIP part, the premium part, is a constant.

Mr. R. F. Nixon: Five hundred and sixty million dollars.

Hon. Mr. Miller: It was $505 million last year so it's coming along. Pardon? Five hundred and forty; you have just jumped it a bit.

Mr. R. F. Nixon: Oh, sorry. Don't let the Treasurer (Mr. White) know.

Hon. Mr. Miller: The other way of attacking it, of course, is simply to set a maximum figure for payments to doctors. If we were following your procedure, we would say $600 million will be paid to doctors in the year 1975-1976 no matter how much they bill us.

Mr. Burr: Right.

Hon. Mr. Miller: And then pro-rate them? It has not been discounted as being impossible, but, at the present time our budgeting methods and prediction methods are so accurate on OHIP we are virtually doing the same thing. When we negotiated with the doctors we could tell, within a very very small margin of error, how many dollars would be needed for the year. For example, the total increase over last year for OHIP claim payments was $62,218,000. That's an increase of 10.9 per cent over last year. Of that, 1.7 per cent was because the population went up; 3.9 per cent because people were using doctors and dentists more per person; 5.3 per cent because we allowed a rate increase midway through the year.

We have been very accurate. Our monthly projections of the demands on the system, and the actual demands, are almost identical, so we have effected that to some degree. Ours is open ended and you are suggesting a closed system. Ours is open ended only in the sense that we negotiated with doctors for a 7¾ per cent increase in salary. We said that's how many millions of dollars we can give you and we will work it out and see how we will devide it up among the various fee schedules.

Mr. R. F. Nixon: Mr. Chairman, I would like to try again on a matter that is more closely related to health insurance.

Mr. Chairman: Is this question the last one?

Mr. R. F. Nixon: Yes, I hope so. Perhaps the minister has already expressed his view about this, but one of the things I find personally in my own family, when members of my family make use of medical services, is the fact there's never any indication of what the practitioner is paid for providing those services. Would it not be some means of control, if a bill were rendered not only to you or the OHIP programme, but also directly to the patient or the family person responsible for meeting those costs? I believe it would have a salutary effect and would not be unduly expensive.

Hon. Mr. Miller: I would tend to agree with the Leader of the Opposition. It would have a salutary effect. To a degree, there are some technical problems in the way. I set out as parliamentary assistant to get just that kind of a system working.

Mr. R. F. Nixon: Something happens to all you fellows when you become ministers. You give up on your good ideas.

Hon. Mr. Miller: Yes, right. I haven't given up on it at all but I will try to explain some of the intermediate problems. First, we have gone to a system of auditing that does allow a certain percentage of people to be aware of the amount that has been charged on their behalf by a physician. They are getting detailed statements saying, "You got the following services charged under your name by Dr. So-and-so. If you did not receive any of these services please advise us of this."

Mr. R. F. Nixon: Does that cover a year?

Hon. Mr. Miller: It is a monthly statement that would be given.

Mr. R. F. Nixon: Why can't you require the doctor to send a bill to me at the same time he sends it to you? Let him do it—let him pay the postage.

Hon. Mr. Miller: When you look at the things I was talking about in the second phase of the hoped-for plan that I had in mind—and I think you have heard other ministers talk about it—there was some type of a Chargex card that would allow you to get an instant copy of the bill which you were remitting.

That isn't done as simply as it seems. The doctors have a lot of arguments as to why that doesn't work. For example, they do multiple billings on one card. Sometimes a physician bills for a patient he is seeing regularly once a month on only a single solitary card. If you will notice the way the card is made up, he can do that. There is no use filling one out every time he sees a patient because—

Mr. R. F. Nixon: Are you talking about the Chargex cards?

Hon. Mr. Miller: No, I am talking about the actual computer card that he sends to OHIP showing why he is charging and what services he rendered. He is allowed to put a multiple series of visits on it. For example, if he is seeing you in the hospital every day for the next two weeks, then he may show these all on one card and make one charge.

Mr. R. F. Nixon: I think we could cope with that.

Hon. Mr. Miller: Yes, well, secondly and more importantly though is the question of the identification of the patient to whom this information is sent. Is it in fact the policy holder or is it in fact the patient who gets the information? Now you are into an area of personal information that is not easily re-

solved. Would you like to say something at that point?

Mr. R. F. Nixon: Suppose OHIP didn't exist. Why wouldn't the bill be sent to the person it would be sent to under those circumstances?

Hon. Mr. Miller: It happens to be that we handle you according to the policy holder at the present time. Our whole numbering system is based on the policy holder, not upon the individual in that policy, and there is no simple way at this time of identifying him.

I am convinced there will be. I am sitting here telling you that as soon as we can get the federal government to give us the right to use SIN numbers as a birth-identification number and then become the unique identifier, we will have the system going.

Mr. Roy: Bert Lawrence was saying that in 1971.

Hon. Mr. Miller: He was talking about the credit card, he wasn't talking about the BIN and the SIN.

Mr. R. F. Nixon: Are those different?

Hon. Mr. Miller: That's the "sin bin."

Mr. R. F. Nixon: Are they different numbers?

Hon. Mr. Miller: They are now.

Mrs. Campbell: Give us any more numbers and we will all go for psychiatric care.

Hon. Mr. Miller: Sure, that's the problem. This is why we have done a very complete study. I can tell you that it is my opinion that sooner or later that will happen.

Mr. Chairman: Item 1 carried?

Mr. A. W. Downer (Dufferin-Simcoe): Mr. Chairman, I would like to ask a question.

Mr. Chairman: The member for Dufferin-Simcoe.

Mr. Downer: The patients that are in hospital under workmen's compensation—are their medical costs and hospital costs paid by you or do you pass that back to the compensation board?

Hon. Mr. Miller: Paid by the compensation board.

Mr. Downer: Do you charge it back?

Hon. Mr. Miller: It never comes to us, I am told.

Mr. Downer: Well, they do. In our local hospitals—the people go from the compensation board to the local hospital.

Hon. Mr. Miller: I have now had the explanation of the arithmetic. The hospital bills the compensation board?

Mr. Downer: Yes, the medical—

Hon. Mr. Miller: The compensation board pays the hospital and we get it back because it is shown as offset revenue. In other words, it comes off the amount of money we transfer to the hospital. Does that satisfy you?

Mr. Downer: No, that doesn't answer the question.

Mr. Roy: Go get him, Wally.

Mr. Downer: That doesn't answer the question. After all is said and done, that money should be paid directly to you from the compensation board. You should be reimbursed completely. Otherwise industry is getting away with it.

Hon. Mr. Miller: No, no, don't misunderstand me. It comes off the amount of money we would have given the hospital. Let me try to explain it the way I understand it. It is like a number of other offset revenue scheme we use with hospitals. If you are in there as a workmen's compensation patient and the bill was $1,000, the hospital would send a bill to the Workmen's Compensation Board for $1,000, and it would get it. It would go into their books as a receipt, $1,000. We have told that hospital it can only have $1 million from us for the year's operations. Since they got $1,000 from somebody else, they get $999,000 from us. Okay?

Mr. Downer: Fine. What about the US citizens in the border cities coming into our province?

Hon. Mr. Miller: Oh, that turned out to be a falsehood in terms of the statements. Somebody juggled the figures in one hospital and came up with an incorrect conclusion. The truth is, every province, every state, has a certain number of patients who, for one reason or another, obtain their medical services outside of their own home area. This is either because they're visiting abroad, or because it's convenient to go to a facility that's closer to them. I think in northwestern Ontario—

Mr. Stokes: In Warner Lake they go to Winnipeg.

Hon. Mr. Miller: They go into Winnipeg, yes. In Hull they go to Ottawa. In some areas around the US border they come to Ontario. At the same time, many of our patients utilize facilities in the States. You know, we're one of the few jurisdictions where our insurance covers you when you're out of your home province. A lot of people don't know that. But if a British subject comes to Canada, he's just s.o.l.

Mr. Stokes: What does that mean?

Mr. Breithaupt: Let's just say he's not going to get any.

Mr. Chairman: The hon. member for Parkdale.

Mr. Downer: If that's true of the compensation board—

Mr. Chairman: Oh, I'm sorry. The hon. member for Dufferin-Simcoe.

Mr. Downer: It that's true of the compensation board, that you charge it back to them, then do you charge the same thing back to the Department of Indian Affairs for looking after the Indians, and also the veterans' allowance people? Do you charge that back?

Hon. Mr. Miller: I've been having a long running argument. I've even made some quotes in the papers in the north that got me into some trouble. I'm afraid I might lose my scalp, as a matter of fact, literally—

Mr. Roy: Keep at it. You don't have much to lose.

Hon. Mr. Miller: I'm going to take them along and show them your picture.

Mr. Roy: It's misrepresentation; that's what it is. Terrible!

Hon. Mr. Miller: Yes it is. You haven't seen his picture in the paper today, sir, but it shows him in a very good light.

There is an argument between the federal government and ourselves as to the responsibility for Indian payments. The federal government, I think, if I've got the story straight, looks upon many of them as being residents of the Province of Ontario who should be treated as other residents. And since the great bulk of them are eligible for free OHIP, they simply say when they come into the hospitals, they are normal residents and they should be paid for by the province. And yet, at the same time, they insist on running at least two of our hospitals for Indian people, charging us, in the process, for supplying that service. And in my opinion that is not fair.

Mr. Downer: I agree.

Mr. Chairman: The hon. member for Parkdale.

Mr. Dukszta: I just want to make a point, which you must be aware of, Mr. Minister. It is the difference in the rise in salaries of physicians, as compared with other industrial groups. I want to ask you what you propose to do about it?

I think I will quote to you the figures which are available from the Department of National Health and Welfare. They are largely applicable to this province. In 1960, the average, net professional earnings of an active fee practice physician in Ontario were $16,754. In 1971, it was $41,363.

Now, I have made a comparison on an annual basis of physicians' earnings and the average weekly salaries in Ontario for the industrial composite, multiplied by 52.

In 1961, the average net professional earnings of an active fee practice physician was $17,682. In 1971, it was $41,363. The percentage increase in that decade is 133.9 per cent. The average annual per cent of change is 8.9 per cent. Now, the industrial composite for 1961 is $4,228, and in 1971 industrial composite is $7,437. The percentage of increase is 75.9 per cent and the average annual per cent of change is 5.8 per cent.

Now, those industrial composites are general. I have no particular figures here for the hospital workers, but I suspect they are much smaller. Can you give me an explanation why it should be so? What you are preparing to do about it? Will you compensate further the hospital workers, who are grossly underpaid in comparison with physicians?

Hon. Mr. Miller: I take exception to the last statement you've made—they are no longer grossly underpaid. I think the facts and the figures that came out this year will illustrate that. I had no regrets this year when major changes amounting to 50 per cent over two years were granted to the low-paid service employees at the hospitals; in those same two years, the total amount given to doctors was 11.75 per cent.

Now, surely that was where the argument stemmed last night. I recognized that the doctors had increased their relative pay from 4 to 5.4 times the average composite pay. I

don't know whether your figures or mine would show those as being exactly the right ratios, but in the periods of time I had, doctors had improved their relative position.

One of the members was just speaking about how when we changed to an insured plan, doctors got paid for a much higher percentage of the patients whom they saw. It wasn't simply a change in rates. It was simply that they now received money—it was the member for Sandwich-Riverside who was talking about 50 per cent in the old days versus the 90 per cent now. So we have taken, I think, the proper measures. The service employees got a 50 per cent raise over two years; the doctors got 11.75 per cent.

Mr. Dukszta: Well, are you saying that the proper measure is now to keep them about the same level increase, or are you proposing to give them less in the next five years so that other people can catch up? That surely would be more fair.

Hon. Mr. Miller: Look, you are a member of the profession. I don't believe in equality of pay for everyone in the world regardless of their training, and I don't think you do.

Mr. Dukszta: Well, in our society we don't have equal pay, though maybe it would be an ideal. But if you compare a physician to a social worker with an MSW or a teacher with an MA, the physician makes approximately 2½ times more than what would be paid for an equivalent type of training, almost. Now, maybe he has an extra responsibility, though I wouldn't even consider it to be that much, but there is very little difference in terms of years of training between a general practitioner and an MSW. Yet the difference is enormous.

Hon. Mr. Miller: I assume then, sir, that when you were working for us you must have returned part of your pay to the organization, because you were paid more than the fellows beside you.

Mr. Dukszta: No. As a matter of fact, I did not return it—you damn well know I did not return it. You have been checking on both me and the member for High Park. That is not the point. The point is that this type of voluntary effort which you are saying is blazing the trail is absolutely useless. It needs a general approach, which is your responsibility—not a moralistic approach from me.

Hon. Mr. Miller: I have done it properly.

Mr. Chairman: Shall item 1 carry?

Item 1 agreed to.

On item 2:

Mr. Chairman: The member for Wellington South.

Mr. H. Worton (Wellington South): I don't know whether mine is under item 2 or not, Mr. Chairman. The question I would like you to answer is the result of a telephone call I received about an hour ago from a constituent who had received a letter from a superintendent of the psychiatric hospital in Hamilton. Briefly, the letter said that in the event of a close-down of a hospital he was expected to take his son into his home while the close-down was in effect.

Now, in this particular case the man is 80 years of age. The son is 46. He has been in there 30 years. I thought it was a little bit of a shock for a man this age to receive a letter from the superintendent indicating that he should be prepared to take the son into the home if need be. I feel that if it has got this bad, then your department should come up with some alternatives in the case that that happens.

Hon. Mr. Miller: Well, I would be very glad to look into that specific case for you. I have checked with Mr. Maynard, who is responsible for our psychiatric hospitals. He is unaware of this specific problem. And if you could give us more details we can look into that very quickly.

Mr. Worton: I will bring you the letter on Monday.

Hon. Mr. Miller: Fine.

Mr. Chairman: The hon. member for Ottawa East.

Mr. Roy: Mr. Chairman, I'd like to discuss with the minister the other aspect I'd raised in the opening remarks. They have been discussed by the member for High Park, but I had refrained from discussing this question of the closing of hospitals and the alternative.

You mentioned in your remarks of Oct. 1 that one of the areas you had some control over was the number of beds and this type of thing. I want to ask the minister first of all about the question of some hospitals closing. Was it yesterday or the day before you were reported in the Star thus: "He's being opposed strongly by the public and the hospital people in trying to cut health costs by closing some hospitals"?

First of all do you feel that you will have to close some hospitals? Or in the alternative, rather than close the hospitals will you have to turn them, for instance, into a public health centre or public health unit or some alternative form in the health service field?

Hon. Mr. Miller: It's probably the most difficult of the projected cost-saving mechanisms to turn into reality. To say that I will be able to effect any of these changes without popular support is unlikely. I'm convinced one cannot unilaterally close a hospital in the community without some degree of understanding on the part of the people, and some provision of services in place of that facility.

I'm not talking about short-term measures, but over a period of time some of these hard decisions are going to have to be taken. This was one of the key reasons for going to the district health planning council concept. It was to allow some of these decisions to be taken with the co-operation of local people who knew full well that in order to get the services they want they have to give up some of the services they may already have and don't need.

In other words, I don't have a list of hospitals in my pocket that should be closed tomorrow morning or the day after the next election, if you want to be that suspicious of my motives. I simply say that it will be, hopefully, an evolution.

In some cases some hospitals may close because they get old, and in other cases we will redefine their function and turn them into what are basically community health centres with only emergency standby facilities. I could name some towns where that kind of solution would probably be quite adequate.

Mr. Roy: I'm not questioning your motives at all as minister. I've been around here for a short period of time and I can question the motives for instance, of your government generally. I know I could wager you any sort of money that no hard decisions will be made on the closure of hospitals before 1975, before the election. Maybe after, we'll look at some of the things. Your people will feel that we can ride with this problem of escalating health costs for a little while longer until we get through another election.

But the question of hospitals certainly has to be looked at. Of course it is not going to be a popularity contest or universally acceptable. Serious problems require hard decisions and you are not doing that for a popularity contest. You are going to have to make some hard decisions, because in the long term if you don't make these decisions, obviously we are just heading for disaster at the other end of the scale.

Is your strategy therefore to work toward health councils, and then once you have health councils, to reduce the authority and the jurisdiction of local hospital boards? Then you will have health councils who can start rearranging their priorities in the area and determine which hospital is going to be a medical centre, and which hospital is going to have this or what priorities are going to be put on another hospital.

Hon. Mr. Miller: A good deal of what you said is the hopeful evolutionary pattern. I disagree with one point, namely the dilution of the management function of the hospital. Planning and management are two different functions. Mustard has suggested amalgamation of some management boards. I am making no comments at this time because we are still looking at the replies people have sent in.

It's a contentious suggestion but management and planning are two different functions. Usually, people have been managing a unique institution and have focused all their planning attention on that. We want to separate those two functions so that the planning is done on an age basis for a wider area such as Hamilton is done.

Hamilton keeps on being one of those happy examples. Kingston is another area which has done a lot of this kind of work. We have shining examples that it can happen. The savings those two cities have assisted us in making could be counted in the millions of dollars on an annual basis.

Mr. Roy: Mr. Chairman or Madam Chairman, I am sorry, there has been a switch here—Madam Chairman? Chairperson? Chairman? Shall I argue with her or not? No? Madam, can I say, before I get into any sort of trouble, when you talk about closure of hospitals, I keep walking up University Ave. and see a section of the old Mount Sinai Hospital which appears to have been empty for a year. There is a whole wing—

Hon. Mr. Miller: Mount Sinai?

Mr. Roy: Yes, on University. It's empty. We are talking about lack of chronic care facilities and things of this nature. Here we have a building, just on University Ave., that has been empty for a period of about a year. What do you plan to do with that?

Hon. Mr. Miller: The current long-range plan is to turn it into a rehab facility. Short-range, it will probably be a chronic hospital. The planning needs, in other words, the redesign costs and so on, for the long-term purpose and the short-term purpose, will be the same. We have Queen Elizabeth Hospital and we have—

Mrs. Campbell: Riverdale.

Hon. Mr. Miller: We don't have any others just as yet.

Mr. Roy: Are there renovations going on in the place now?

Hon. Mr. Miller: No, but they are getting very close.

Mr. Roy: It has been empty for a year.

Hon. Mr. Miller: Yes. Look, this is a problem I inherited. It is an existing building that has to be utilized.

Mr. Roy: That is the advantage of changing ministers. Your predecessor said the same thing. When you leave the ministry your successor will say the same thing.

Hon. Mr. Miller: I would hope, in fact, I think the decision is all but final to go ahead with the renovation to get this into the type of function we need in the city of Toronto. We have a couple of other hospitals that will, in the short-term interval, either be relocated or rebuilt because of the terrible state of their physical plant. I'm talking chronic facilities. The facility down there would, in fact, make an ideal holding point while these were being done, if you give us the time on the long-range rehab and the short-term chronic plans.

Mr. Roy: All I am suggesting, Mr. Minister, is that I think you will agree, planning certainly must be lacking when you have a facility like that hospital, which has been empty now for a period of over a year, and we are crying for facilities in other areas. You know we are crying for facilities. I suppose, not only for hospitals. We are crying for facilities for all sorts of things.

What I want to discuss now with the minister is the question of the ceilings. The headlines a couple of days ago said the ceilings were removed. I got it from you yesterday, and, from the papers again yesterday, that there is some form of control. What control is there?

First of all, I think the ceilings to start with were impractical. You know, we were being kidded about the question of ceilings for this year because your projection of seven per cent for an increase in the hospital budget was sort of ridiculous when we look at an increase that is going to be something like more than 20 per cent.

I appreciate there are some factors that could not be predicted. The inflationary factor certainly was one that might have been difficult to predict two years ago but nevertheless, it is this type of planning which leads to the problems we have, and makes, for instance, hard-nosed policies like establishing ceilings look ridiculous when you have to remove them overnight. You have indicated that the hospitals must submit their budgets by Dec. 2 or around that date. In fact, didn't many of the hospitals submit their budgets when they thought the ceilings were still on, and their budgets are in now?

Hon. Mr. Miller: The budgets I am asking for by Dec. 2 are the 1975-1976 budgets. Today's editorial in the Globe touched on this. I am sure you read it, and I think if you read it you would agree it was relatively supportive of the change in the point at which the ceiling is applied.

Interjection by an hon. member.

Hon. Mr. Miller: The point at which the ceiling is applied is the key thing. There is a ceiling on hospital spending for next year. It is the sum total of all the costs of all the hospitals in the Province of Ontario, but because we have applied — I forget for how many years—flat percentage increases to all hospitals we have had, as we realized, a growing inequity in the application of that formula. You can't keep on adding a constant percentage for all hospitals to bases that, in the beginning, didn't necessarily reflect the efficiency of the hospital or the things that have happened to it in the meantime.

Mr. Roy: I appreciate that.

Hon. Mr. Miller: So in this year we have estimated our total hospital costs. The sum total of the budgets submitted must remain within that, and we have put other riders on it. No increases in staff was one, and secondly, a two per cent reduction in the 1974 base budget.

Mr. Roy: Could I just complete—

Mr. Deans: Yes. I couldn't stop you if I wanted to.

Mr. Roy: No, you probably could not. The last point I want to raise is the question of

a story that appeared sometime in September in the Globe. I think that you have replied somewhat on it, but I would like to hear your answer today on the question of hospital privileges and the different standards for people who are on OHIP and those who had a bit extra who were getting different treatment.

The headline goes, "Money Buys Hospital Privileges That Patients With OHIP Don't Get," and there is a further article by a Dr. Cynthia Carver, who is quoted as saying that she encountered a double standard and talked about different menus in hospitals for people in private and semi-private and people in the general wards. It goes on to say: "Two sets of rules exist for admitting patients to Wellesley Hospital by general practitioners, one for the rich and another for the poor."

If I recall, reading the article—and I don't want to go through it all now—apparently there were certain areas where people who were just on OHIP were sort of the guinea-pigs of the system, and all the young doctors would come around and examine them but they wouldn't go and bother the people who were in private or semi-private accommodation. Have you investigated this and what are your comments on these suggestions?

Hon. Mr. Miller: If you recall, I expressed some degree of surprise and lack of belief when I heard of the paper's comments, and yet I have learned not to be so sure that something isn't happening that you don't look to find out if it is. I certainly wouldn't like to think that people got second-class care because they were in a teaching hospital or because they were in a ward bed.

I referred to my own experience, and it was a fairly lengthy one, and I felt that I had been given top-grade treatment in a ward bed in a teaching hospital in the city of Toronto; in very poor physical conditions, admittedly, because some of the ward beds in those days were.

But because there could well be some truth to the press comments, I asked both the Ontario Hospital Association and the College of Physicians and Surgeons to do a joint investigation on our behalf to see if there was any substance to them. Both of them have indicated their willingness to do this. In fact, I understand these are under way, and I should hope that before long I will have some indication as to whether these conditions truly exist, and if they exist, to what extent, and what steps might be taken to remedy them.

Mr. Chairman: The member for Wentworth.

Mr. Deans: I have three matters to discuss. One is purely local and I will raise it first. There has been a feeling in the city of Hamilton for some considerable time that there was need for some kind of facility, perhaps an emergency service type of facility, in the eastern end of the city. If you are familiar with the city of Hamilton, you will appreciate that all of the—

Hon. Mr. Miller: I know the east is where the west should be.

Mr. Deans: Looking from Toronto I suppose that might be true. But everything in Toronto is a bit backward, anyway.

Mr. Stokes: And never the twain shall meet.

Mr. Deans: The fact of the matter is that all of the hospital services in Hamilton are centre and centre-west. McMaster, of course, is in the extreme west end. St. Joseph's the General Hospital, even the Henderson Hospital, Chedoke Hospital, are all in the western end of the city. All of the growth in the lower city is taking place in the east end and all the way out into what is now the town of Stoney Creek.

It is pretty obvious, with the horrendous traffic problems that we have, that transporting people all the way through the city in an emergency situation in order to get them to one of the facilities that exist, is becoming increasingly more difficult. I am going to talk about the method of transportation in a moment.

Hon. Mr. Miller: I suspected that might come.

Mr. Deans: I thought you might suspect that I might want to talk about it. Nevertheless, given the Mustard report and given the kinds of things that are happening within the health council's ambit in the city of Hamilton, it may well be that they might tend, for cost purposes, away from locating any further facilities in the east end of the city.

I am not asking for a hospital because I realize that we probably have on a bed-to-citizen ratio a sufficient number of hospital beds available. But I am suggesting to you that recognizing the kinds of developments that are taking place and the many tens of thousands of people who are now going to be living east of what was the city limits five or six years ago, we should give serious con-

sideration to the location of an emergency hospital service.

People who are injured on the Queen Elizabeth Way in the many accidents that occur on there, and people who take sick and have to be transported quickly during rush hours, could be taken to this emergency service. I don't know exactly how it would be done, except that I know that it would serve a very useful purpose and we could probably transfer some of what might now be occurring at Chedoke or in some other hospital, to the east end, in order to provide a wider range of services. It could be in conjunction with a laboratory service, it could be in conjunction with some other type of medical service that could be made available.

But I really do urge you, if you have the time and you are able to direct someone to take a look at it, that you give serious consideration to that.

Hon. Mr. Miller: Can I answer that one specific thing?

Mr. Deans: Yes.

Hon. Mr. Miller: I think this is probably news at this point in time, but I think I reached a fairly important conclusion and decision for Hamilton about 3 o'clock today. Because I have conveyed my decision to the Hamilton Health Planning Council, I am very pleased to make you aware of it. As you may know—

Mr. Stokes: I thought you were going to dump the Mountain into the bay or something.

Hon. Mr. Miller: —on Monday or Tuesday—Tuesday—the Health Planning Council came and made a presentation to me. They were deeply concerned that the lack of a decision on the rebuilding of the Hamilton General was throttling all the other problems in planning for health-care services in the city.

As I mentioned, they have done perhaps the finest job of any group of people in Ontario in resolving most other problems. I was keenly aware of the points they put before me. They would rather have had a negative decision than the decision they wanted. They simply wanted a decision out of me to help with their planning process.

We pointed out the fact that you had an under-utilized facility on the MacMaster campus, that you had a conglomeration of hospitals in the centre core of the city, that the east end of the city was not properly serviced, and that we felt therefore that we should not rebuild the hospital at the Barton St. site.

That received a pretty violent reaction from the group present, including the members of the regional government and the council. They countered with traffic flows, which they had studied carefully; flow routes; times for transportation of a patient from a given point in town to the Barton St. site; the ethnic population in the centre of the city, and these kinds of things.

I today notified them that I was prepared to have the hospital rebuilt on that site provided these considerations are included: (a) That they come up with a plan for the optimum use of the McMaster site; (b) They reduce the total number of beds to 1,999, right? which was our 1979 planning standard; (c) They review the role of the new hospital in view of its other purposes in the community, apart from being a specialized hospital; (d) They find a solution to the east end needs in the city, a health clinic or whatever it may be.

Those are the riders we put to them in our letter today. We are asking them to work out the solution within those parameters.

Mr. Deans: That is interesting. If I had known that you were considering such a thing I would have been delighted to have made a submission on it because—

Hon. Mr. Miller: It can be done now.

Mr. Deans: —I happen, for funny reasons, I suppose, not attributable to any effort on your behalf, to represent much of the east end of the city. I am concerned, and I recognize that many people might tend toward the centre. Everything seems to want to go in the core. Did you give them any timetable for their answer?

Hon. Mr. Miller: No, I did not give them a timetable but they are the people who are pressing me for a decision so that they could proceed with their planning. The moneys for this come out of the health resources development fund, as you probably know. We have to be able to schedule it into the moneys available. I think Hamilton was given $40 million out of that total. This one facility is estimated to use between $20 and $25 million.

Mr. Deans: Remember the discussion we had in the city council where I said it operated like a secret society? It does. You would never know they were trying to do anything

until after it has happened. This is the position I am always in.

Hon. Mr. Miller: The city council was represented at this meeting, in all sincerity, and so was the regional government.

Mr. Deans: I am sure they probably were.

Mr. Stokes: They talk to themselves but to nobody else.

Mr. Deans: They have a very funny view of things. But that is beside the point. I wouldn't deprive the citizens of that simply because they weren't co-operating. There are sites in the east end that have been offered at what would, I think, be considered fairly nominal cost. One site in particular is a farm site within the city limits. The people who own it are, to say the least, not poor. They were quite prepared, as I understand it from discussions I held with them, to talk about making the site available at considerably less than its market value if it were to be used for some kind of health-care facility in the east end.

I am delighted to hear what you have to say. I trust that out of it all you will stick to that aspect of it, that you won't let that fall by the wayside regardless of what pressures are put on you, and no matter how carefully they set out how willing they are to abide by the other three points—(a), (b) and (c). The point regarding provision of some kind of health-care facility in the east end of the city—emergency, community health centre, whatever it can be that will adequately meet the needs—I strongly urge you not to let drop. That is absolutely essential to the people in the east end.

I don't know how we are ever going to be able to come to grips with the salary schedules and wages paid to many of the non-medical staff in hospitals. They obviously are not considered by the hospital administration to be essential when it comes to paying them, although they are considered essential when it comes to their threatening to take strike action. They are deprived of that right because they are recognized by some as performing an essential service.

Mr. Stokes: Trick or treat.

Mr. Deans: I told you they were coming to get you. They were marching up Yonge St. a moment or two ago. That's the remains of the Tory party as depicted in the body politic.

Hon. Mr. Miller: I hear voices but I don't know whether I can speak to it or not.

Mr. Deans: I don't know either. It sounds like we're being invaded. The problem of trying to find ways of providing an adequate salary or wage schedule for non-medical personnel is always going to be very difficult. I suspect that to some extent if it's left up to the individual hospital boards to make their decisions they will always be low man on the totem pole. I don't know how to overcome that. Quite frankly I don't.

I think the ceilings played a large part in creating the problem that they had over the last number of years. The fact that they didn't have the right to strike—they might not have used it in any event. In fact, I suspect they wouldn't have used it—played some part in it. They were taken advantage of because that right wasn't there, not because they would have used it, but because the people who were negotiating with them recognized that they couldn't do it anyway.

As I look at what the minister said the other day about hospital ceilings. There's no question that the ceilings are still in place. There are still ceilings on hospitals. You've a ballpark figure and that ballpark figure is going to be cut up. The individual budgets will have to fit within the overall ceiling which you've established.

That leaves some problems for me. I don't know how you're going to differentiate between one hospital and another in determining what kinds of budgets will be allowed and what kinds of money will be allowed to flow into them.

I certainly admit that I don't know how the budgets are arrived at in hospitals. I don't know where they spend the money. I've asked and I've wondered and I've looked and I've got some serious reservations about where some of the money is spent. I'd love to know, at some point, perhaps in a committee—and this might not be such a bad idea. I'm not one for establishing select committees. Maybe we could refer to the social development committee or whatever it is, the job of investigating the methods used by hospitals in arriving at their budgets, not because you might want to know, because maybe you do know, but so that we in the Legislature might also find out.

I don't see the care that is provided, given that it now costs $100 a day or more to get a hospital bed. It certainly isn't in wages to the nurses. It certainly isn't in wages to the support personnel and it isn't in food, so where does it go? I think that you might give some consideration to referring a project from your estimates or from

the Legislature to the social development committee. That project is to call before it some of the hospital boards in the province and to have them take a serious look and explain how they arrive at their budgets and what their expenditures are over the year and how they capitalize their major expenditures for equipment and the like so that we can all understand it.

I believe probably the hon. member for St. David (Mrs. Scrivener) is on a hospital board, as I recall. Perhaps she may understand it. I personally don't. So I think it might not be a bad idea to do it.

I have another problem. I'm going to come to the ambulances in a second. This is the last of the ones before the ambulance. Why would the hospitals purchase their packaged food items from a US company? Why would they be imported from the United States into Canada? Surely, with the number of hospitals that we have in the general Metro area from Oshawa to Niagara Falls, there's a sufficient intake of food to justify one or more of the various processing companies in food production operations providing that kind of service.

I was amazed to find that the Henderson Hospital in Hamilton, for example, purchases substantial quantities of packaged goods from outside the country. My understanding is—and I have not had a chance to check it, because it only came to my attention in the last couple of days—that this is also true of the McMaster Clinic and it is true of a number of hospitals. I don't understand that.

I would like if the minister could take a look at that, to try and find out what the problem is with the provision of food here in Canada. We seem to have lots of it and it would make some sense that we might use what we have here to meet the needs of the people who are sick.

Finally, ambulance service—

Hon. Mr. Miller: Do you want me to deal with that now?

Mr. Deans: No, I'll do it all and then you can answer me all at one time. I think you know that I have grave reservations about the ambulance service. I think the Leader of the Opposition, in fact, wanted to speak on this.

Mrs. Campbell: Yes, he did.

Mr. Deans: There is no overall standard in the Province of Ontario. The service varies as much as there are ambulances. Every ambulance provides a different level of service. I wrote you some letters about the city of Hamilton service and there was a change made. One of your letters didn't really reflect what had happened, by the way, but that is beside the point; I am not going to nitpick.

The problem was—and still is, as I understand it—that though there may be five ambulances running all night there is only one additional stretcher. One emergency stretcher, for the whole city. If you happen to be at the wrong hospital, the ambulance is out of commission until they get the stretcher made up and taken away again. I understand that was brought to the attention of the emergency service branch some considerable time ago. What happens is that as the ambulance arrives—oh, there are two now are there? I see him holding up his fingers. Well, dammit, now there are two emergency stretchers.

Hon. Mr. Miller: It is a 100 per cent increase.

Mr. Deans: It certainly is. So if we have three ambulances in service, one is out of commission until they get the patient off the stretcher, and if it happens that you are delivering the patient to the wrong hospital—the one that doesn't happen to have the emergency stretcher available—then you are out of commission until you get another stretcher. That is ridiculous. That's absolutely ridiculous. It makes no sense. I'm willing to suggest that for the cost—whatever it is it can't be that great—there has to be one additional stretcher per ambulance, so that the ambulance is always in service and the delivery of the patient is then to the hospital, the new stretcher is put in the ambulance and it is then available and on call and ready to move. The way it is right now is almost unbelievable.

Let's go on. In my opinion, the ambulance and emergency service should be province-wide under the jurisdiction of the government. There are so many unusual things occurring within the ambulance service at the moment that it makes my head spin. People get fired for no reason, without any justification. This has happened now on three occasions that I am aware of, and I've brought at least one to this minister's attention and, on previous occasions, to his predecessor's attention. Because someone stands up and says, "Look, the service is not very good and we should be improving it," he gets fired by the owner of the ambulance service. You should establish in the province one overall ambulance service that has standards that are adequate to meet the needs, that has trained personnel on the ambulances, that is able to meet emergency situations and to cope with

them; and a person—no matter whether he is injured in North Bay or Niagara Falls or in Kingston—should expect and receive the same level of ambulance service no matter where it occurs.

That just isn't the case right now. There are no standards for training that are mandatory, there is no standard for pay across the province and there are no standards for the capabilities of the employees across the province. Until you do that, you can't call what you've got an emergency ambulance service. It is not nearly adequate.

We'll go to another point, one that has aggravated me. You're moving away from what I happen to think is the best method of dealing with it. Ambulances should run out of hospitals. Ambulances should run out of medical centres. Ambulances shouldn't run out of somebody's back garage, for heaven's sakes. They shouldn't be building little brick buildings all over the place to house an ambulance.

Mr. Stokes: Or undertakers.

Mr. Deans: Or undertakers or funeral parlours or whatever you want to call them. In Hamilton, if we had what I was asking about—the emergency health service—in the east end of the city we could have an ambulance out of there, we could have an ambulance or two out of the Mountain and we could have ambulances in the west end of the city running out of the hospital. Those ambulances could, wherever necessary, take qualified medical personnel with them where that was warranted and justified.

As it is right now, we have one or two ambulances running out of a brick building on Locke St., an ambulance running out of a wooden building on Mohawk Rd. and we have an ambulance—do you know where it was sitting?—on a garage lot outside, waiting with a telephone inside so the guy could get in and drive it to wherever it was that he was required to go to in the east end of the city.

It's a damned disgrace. You should be prepared to set it up in some orderly fashion and to recognize the worth of it. Nobody realizes how important an ambulance is until they are phoning for it. Don't expect a great hue and cry from the public or a great deal of support to suddenly burst out for a new type of service, because it won't happen. The only people who realize how bad it is at times are the people who are waiting for it or who have to use it.

Given the inadequacies of it, I want to tell you that I am satisfied that most of the people that I have met who work on ambulances are both dedicated to the job and eager to improve their position. They are eager to learn. They are eager to provide a better service. They are prepared to take courses at their own expense, as I know many of them have. They are prepared to upgrade their education. They are prepared to upgrade their standards at their own expense in order to provide a public service.

There are not many ambulances across the Province of Ontario in actual fact. It would serve you better to get rid of this nonsense of reprivatization of the ambulance service, because it can only serve to be a downfall. The person who owns the service is more interested in making bucks off the service than he is in providing an additional service to the people of the area. They are looking to see how few ambulances they can get away with rather than how they can upgrade or improve the service. That is occurring far too often. Maybe I have an entirely warped view of it.

Hon. Mr. Miller: I am glad you recognize it.

Mr. Deans: I am saying maybe I can appreciate from the look on your face that you think I have. I want to tell you something about the look on your face, and it's appropriate to the estimates funnily enough. You are not always going to get away with the glib remark and the smile. It's not going to work forever. It is nice, and I like you, but that isn't going to solve all the problems.

Hon. Mr. Miller: I am quite aware of it.

Mr. Deans: You are not quite aware of it, and that's the difficulty. For some reason or other, the moment you get to your feet you think that a friendly smile or a glib remark solves the problem. Well, it doesn't. Some of these problems are serious. I think you are being taken in by some of the advice that you are getting.

I suggest to you that you should go out and take a look at the problem. You can't have men who are accustomed to working 48 hours and earning $4.50 an hour or so cut to 40 hours overnight and expect that they are going to be satisfied and happy, because their earnings have been cut by about 20 per cent. You can't allow the service to deteriorate the way it is deteriorating. The morale in the service is very, very low. If you don't understand it, it will suddenly

hit home one day when there will be very little left for you to recoup from.

I don't know who is giving you your advice and I don't much care. But I ask you one thing, would you please go out and see for yourself what is happening? Would you go out and take a serious look at that service? It is every bit as important as having a doctor in the emergency room. The doctor can stay there all day but if you can't get the patient to him it is not going to do any good. That is one of the problems you are going to be faced with.

When I wrote you the letter about the level of service in Hamilton, what I said was absolutely correct, and whoever gave you the information you sent back to me didn't understand. In fact, there was little overnight service available. It was only after we raised the matter that they put additional ambulances on. They told you they had the availability of Waterdown, Aldershot and Ancaster, but those services are very much voluntary, and are closed for much of the night.

I think you are not too well informed about the level of service available. I urge you to spend a little more time looking at the realities of it. Don't pay so much attention to those people in your department who appear to be experts. Go and see for yourself. I have done it, and spoken to the people who are operating it. Not the people who claim to be doing it but the ones who are actually out on the road. They are quite worried about the levels of service.

Was an additional allotment made to the ambulance operators in April which was intended to provide salary increases retroactive to January?

Hon. Mr. Miller: I will get the answer by the time I reply.

Mr. Deans: Okay. That is a specific question which I think is important.

Second, if it is possible to contemplate, will you please give some consideration to establishment of a provincial ambulance service that will provide an adequate level of service and training for everyone, rather than relying on individuals to do it?

Third, what is the relationship between the emergency ambulance service group in Toronto and the Oakville operation? How did the sale take place? Better, how did the recent sales take place in Hamilton and who decided the value and the price of the ambulance service? The private operators who have their ambulance services up for sale expect a far greater return than was paid to the government for the sale of the service in Oakville.

Finally, I don't think the method of payment to the owners, assuming you are going to leave them, which I suspect you may, is conducive to a better service. You can't pay them by the call, but you do. You pay them X number of dollars for every call up to the first 200—

Hon. Mr. Miller: In addition to their global—

Mr. Deans: I agree, but that doesn't improve their service one bit. You pay them a certain amount of money for the running of the service, plus so much per call in addition. One ambulance owner told his employees, "Do you realize we are running 50 calls behind our competitor? Get up off your butts."

I don't know what they are supposed to do. Call their friends and have them call the ambulance?

There is no reason to put money in people's pockets for nothing. I don't think you have a very close check on the method of auditing. I don't think you know where the money goes. I know you went in recently and audited, maybe not at my request but certainly after some discussions we had had. I am not at all convinced there is a close enough check kept on actual expenditures as per the budgets submitted.

I strongly urge you to completely overhaul the whole service or you are going to be faced with some very serious difficulties.

Mr. J. Riddell (Huron): Smile, Frank. Nobody can deny you that privilege. We like your smile on this side.

Hon. Mr. Miller: Thank you.

Mr. Deans: I like your smile. I just don't think it is solid.

Hon. Mr. Miller: I think the assumption that if one smiles, one isn't determined, is a rather poor one.

If you assume that because I can smile, I have no other abilities, it is a rather poor assumption.

Mr. Deans: I didn't say you had no abilities. I said you had adopted a policy—

Hon. Mr. Miller: I try to deal with things objectively. I don't try to get personal.

Mr. Deans: Well, then, try to deal with this objectively.

Hon. Mr. Miller: I will.

Mr. Deans: And I am waiting.

Hon. A. Grossman (Provincial Secretary for Resources Development): And he ain't smiling now.

Mr. Deans: I don't care. I am pleased that he is not smiling.

Hon. Mr. Miller: First of all, talking about the ambulance service, if I listened to you I would think we had the worst ambulance service in the world. As a matter of fact, it's recognized as the best. Now, let's face that.

Mr. Deans: In the world?

Hon. Mr. Miller: In the free world.

Mr. Deans: Oh, I see.

Hon. Mr. Miller: I have no idea about the ones behind the iron curtain.

Mr. Deans: Neither do I.

Mr. S. Lewis (Scarborough West): It probably has a triple-A rating.

Mr. Stokes: Don't challenge me on that. Don't give me this stuff about it being the best in the world. I appreciate there are a lot of places in the province where you have a good ambulance service, but don't say in the world—and don't say Ontario-wide, because that just ain't so.

Mr. Chairman: Order, please. The minister has the floor.

Mr. Stokes: It just ain't so.

Hon. Mr. Grossman: You are even going to get an ambulance service in Armstrong.

Hon. Mr. Miller: This ambulance service was formed a few years back when the Province of Ontario took upon itself the responsibility for providing an insured service. It was formed out of a hodge-podge of services in the province, most of which were limping along at that time with an assortment of vehicles that ranged from the sublime to the ridiculous. In that period of time we have put together, fairly well, a comprehensive network with standardized vehicles in most parts of the province.

Mr. Deans: And then gave them to the owners.

Hon. Mr. Miller: Just the opposite is true. They do not belong to the owners. The capital plant is ours.

Mr. Deans: That's right. Everything belongs to you except the money.

Hon. Mr. Miller: You are totally wrong. I think it would do you good to look at some of the facts and figures.

Mr. Deans: I have looked at them.

Hon. Mr. Miller: You and I have a fundamental ideological difference which we cannot resolve in this discussion, and that is whether a person operating on an incentive basis works better than a person working for the state. I tell you I believe people working on some kind of an incentive basis still do a better job.

Mr. Lewis: Just a second. How the hell do you work on an incentive basis on ambulance calls? What do you do? Do you phone people up to make calls?

Hon. Mr. Miller: The incentives are in the management of the process.

Mr. Deans: That's right. You can rake off anything you can get. That's no incentive, my friend. That isn't an incentive.

Mr. Lewis: What incentive is there in providing ambulance service?

Mr. Young: Your civil servants work for a salary. They are not on an incentive basis.

Hon. Mr. Grossman: And look what the member for Wentworth said about the civil service a minute ago.

Mr. Lewis: We are not opposed to incentives, but this isn't piecework, you know. Or maybe it is.

Hon. Mr. Grossman: Want to reword that?

Mr. Lewis: Well, it struck me afterwards.

Hon. Mr. Miller: In any case, we have that difference of opinion.

I have to admit that I am not concerned that the original philosophy of ambulance bases in hospitals was correct. I accept the responsibility for that. In fact, we had a number of hospitals that insisted the ambulances be removed from the hospitals because of a number of problems that resulted from them. I don't say that those hospitals that have willingly gone along with the system haven't done a good job, but there is not a unique pattern that will necessarily resolve all the problems.

As far as regulations go, yes, we don't have a set of regulations, but we still have had about 2,100 ambulance employees who have taken the course at Base Borden—and it's a good course.

Mr. Deans: At their own expense, because they are dedicated.

Hon. Mr. Miller: At their own expense, because they are dedicated.

Mr. Deans: I said that.

Hon. Mr. Miller: The fact remains that it will be a requirement of service in the ambulance system before long to take an approved course, and these regulations should be ready early in 1975, probably in January, 1975.

Mr. Deans: Are you going to also then regulate the salaries paid to them when you regulate the standards?

Hon. Mr. Miller: No, I am not going to regulate the salaries paid to them. That is where the little ideological difference comes in.

Now, we have had critics of the training procedures, and they are generally people who are very closely related to the trauma sections of hospitals. There are a couple of doctors who I respect very much, who have in their minds a higher opinion of the degree of training required for all ambulance employees than I have. I think it has been proven that in fact our standards of training more closely approximate the need than theirs do. We, in fact, ran a trial course for some time in Kingston, as you know, of a more intensive nature that really made a paramedical person out of the driver. I understand that these people found it difficult to be utilized within the system so that their training was properly appreciated.

I believe there are three community colleges currently giving the courses on a one-year basis, and I believe there will be 10 within the year doing it. All entrants to the system in the future will come through this type of training. So we will have a standardized level of training, a standardized set of vehicles, a provincial-wide network of dispatch and a set of controls for the quality of care and delivery of service.

In those years in between we have had some disparities of service, but I believe in the main the service has been very good. We have tried to get along in some of the remote areas. Armstrong is an example of where it is very difficult to give the service, I think you would agree, but we are putting an ambulance in there and there will probably be service on some type of volunteer basis, because I think the last count we had was 10 ambulance calls in a year.

Mr. Stokes: Some of them were flown out, too.

Hon. Mr. Miller: Yes. Well, we are quite willing, if the preferred method is to fly them out—

Mr. Stokes: And some of them go out by train.

Hon. Mr. Miller: And the ambulance is only there in the event that the other service couldn't be made available. We recognize there were times when in fact the other service wouldn't be available, so you had to have some vehicle present.

The question of stretchers, I think, was one we dealt with in the city of Toronto. I quite agree with you, rather than disagree with you—it is silly to have a $10,000 unit tied up because a $400 stretcher isn't available. I can't disagree with that. I think one of the first moves we made in Toronto to make the system more mobile was to order extra stretchers so that in fact ambulances coming in could quickly transfer a patient—leave them on the stretcher, pick up a spare stretcher and be gone. It is, I think, good business to do it that way.

I feel that while there will be certain management-labour problems between when you allow for individual negotiation, as we have done to date, this is not a bad thing. I think that we are covering the global budgets based on the salaries negotiated, just as we do in the hospital. In other words, the operator doesn't make more profit if he pays a lower salary, providing he lives within the overall constraints we apply to him.

Mr. Deans: Of course he does, because he gets his extra money on the numbers of calls.

Hon. Mr. Miller: I am trying to get this specific statement you asked about the retroactive increase in April.

Mr. Deans: I'll let you think about that for a second.

Let me just ask you something. If you provide the vehicles, all of the equipment, all of the dispatching methods, audit the budgets, provide the money and set the standards, where is the free enterprise part of it that you are worried about? What you do is you hand the guy the money and you say to him: "Now, if you can get away with

paying less, or if you can get away with less service in whatever way you can do it, or if you can have more inter-hospital calls, or if you can somehow or other corner more of the market, then you can have whatever is left over to put in your pocket."

Doesn't it make sense to take a person with a basic knowledge of the system and administrative skills, pay him a decent salary to do the job, and when that buzzer goes and the ambulance is called, they will go out? You can't sell an ambulance service. You can't put somebody on the road—

Hon. Mr. Miller: But you can manage it.

Mr. Deans: —knocking on people's doors asking them to "call my service."

Hon. Mr. Miller: You can manage it efficiently.

Mr. Deans: Of course you can manage it efficiently. But you can only manage it within the global budget that you established.

Hon. Mr. Miller: First I think you are making an assumption that the current payment mechanisms will be continued in the future as they are; that is not a valid assumption.

Mr. Deans: Well, what are you going to do?

Hon. Mr. Miller: We are at the point of discussing these very things right now.

Mr. Deans: It boggles the mind.

Mr. Lewis: There is something almost Roman about the incentives to pick up people in an ambulance service.

Mr. Deans: It really boggles the mind. I can understand a paint company having somebody else selling paint on a private enterprise basis. That makes sense to me. But, damn it, why don't you put the fire department on the same basis then?

Mr. Lewis: Hey, that is not a bad idea. Think of the possibilities.

Mr. Deans: Why don't you have the police on incentive? By the way, some people think the police are on an incentive.

I don't understand it. You can only go and pick up people who require the ambulance service. Those are the only people they can get. You can't have someone on the road knocking on doors asking if they'd like a friendly ambulance service to drop by.

Mr. Lewis: Unless you have an ambulatory pickup.

Mr. Deans: Your whole system is crazy. All you are doing is you are handing money to people who are doing virtually nothing for it. They are driving Cadillacs and Mercedes-Benz, for heaven's sake—at public expense.

Hon. Mr. Miller: Again we are touching on probably the most fundamental differences in your approach to government and mine.

Mr. Lewis: Come on! We are going to abandon it.

Mr. Deans: It is giving money to your friends.

Mr. Lewis: This isn't philosophy. This is just silly.

Hon. Mr. Miller: That's your privilege. The 1974 budgets were allowed to go up 6.5 per cent. The negotiations in Hamilton began about that time and, therefore, we haven't finalized their budgets yet. It is as simple as that.

Mr. Deans: None of the Hamilton budgets?

Hon. Mr. Miller: They are in the middle of their negotiations and we'll be basing them—

Mr. Deans: They are not all negotiated.

Hon. Mr. Miller: All Hamilton ambulances?

Mr. Deans: They are not all negotiated; only one of the services is currently negotiated.

Hon. Mr. Miller: Fleetwood is negotiated.

Mr. Deans: They are negotiating one service in Hamilton and one in Welland.

Hon. Mr. Miller: Fleetwood is negotiated and the budget went up 6.5 per cent.

Mr. Deans: Did Fleetwood get the 6.5 too?

Hon. Mr. Miller: Yes.

Mr. Deans: Is the 6.5 available to Fleetwood and has it been since April?

Hon. Mr. Miller: It is available to them and they haven't passed it on yet, because they are still in negotiations.

Mr. Deans: You haven't even told them it was there.

Hon. Mr. Miller: All budgets went up 6.5.

Mr. Deans: You didn't even tell them it was there.

Hon. Mr. Miller: You are funny in that sense. I talked to the health minister in a province called Saskatchewan the other day. He said to me, "Do you have to go for supplementary budgets for your health-care costs this year?" I said, "I sure do." He said, "I have to too, because I didn't dare tell them what I would have in my budget before I concluded my negotiations."

Mr. Lewis: A vile slander! Saskatchewan plans in advance.

Hon. Mr. Grossman: What does it plan for?

Mr. Chairman: The hon. member for St. George.

Mrs. Campbell: Mr. Chairman, at this point, I seem to be repeating history. I think I was still on the question of hospital admission policy when we closed off last night. I was told that I would have answers on it when we came to it at this point. The minister, Mr. Chairman, has answered in part one of my concerns about hospital admission policy in that he is investigating some of the comments which have appeared in the press about hospitals in downtown Toronto.

Why do I have so much trouble getting your attention?

Hon. Mr. Miller: I have to change ears. I listen with one ear to each person.

Mrs. Campbell: You missed the whole bit on glue sniffing. I don't want you to miss this too.

One of the things that was not covered in the answer to my colleague from Ottawa East was the statement which was attributed to the minister at the time that these discussions in the press took place, that the hospital boards were autonomous. I would like the minister to deal with that matter.

I cannot accept the fact that with the funding which is going into hospitals at this point in time that they could be regarded as autonomous in that context of admission policy. Otherwise, I don't know how we can subscribe to a service which is costing the taxpayers so much and then permitting, if the allegation is proven, not only in one hospital certain differences of admission, but as between hospitals differences in admission policies.

I would like the minister to advise me as to what his position is vis-à-vis the board. I have had the opportunity of serving on the boards of two major hospitals in the city. I would say without question that it would be difficult to find a body which has less opportunity as a whole to investigate the operation of a hospital than those boards really do have.

I can recall my first meeting with one hospital board. I had the temerity to ask a question and it threw the whole operation into a flap. One did not get involved in asking questions about the operation of hospitals. These meetings were run very carefully, the same way I would assume bank boards are run. But it wasn't an opportune time to get down to the nitty gritty of the hospital function.

Like an earlier speaker, I would like to know if there is any way this Legislature could come up with some facts; some greater understanding of hospital costs.

I would suspect we would have to divide the hospital operation into the hostel or hotel care section which goes with it and, second, into the total service, separate and distinct. Would the minister inform me, from his great knowledge of the subject? Or, if he can't answer, we might have a committee to help us understand the operation and financial functioning of the various hospitals.

I suspect they don't all operate on the same principle. I think the minister met with the student administrators of the hospital. They were very critical of the operation of hospitals generally, regarding efficiency. I feel we have an obligation to see whether anything could be improved in the operation.

Your ministry has known the problems of ambulance service in the metropolitan area for years. It was of deepest concern to members of the council years ago, and I am of the opinion you have not moved to correct some of the obvious difficulties which resulted from the attempt at empire-building which took place at the Metro level.

I note that the commissioner is hopeful that he's going to have a further $7 million from you at this time. Maybe he's already got it. He seems to be very able to obtain funds from several sources, as he sees fit.

One of the problems which occurred, and it was one of the very evident problems, was the fact that during this period when there was an interval between the private operator and Metro working almost on a par, if you like, was that Metro at no time considered the areas which had to be served. But we found, by some strange happenstance, that the commissioner always recommended introducing the stations next door to or across the

street from where there was a private ambulance. It didn't really improve the service to the total metropolitan area.

We found, at the same time, that those ambulances which operated outside of Metro and on the periphery were not permitted into the metropolitan area after a certain time, because licensing wouldn't permit them to enter that great closed area of control. We saw the situation where an ambulance coming in to deliver a patient from St. Catharines to the Toronto General Hospital went back empty, while the ambulance that was needed to take a patient home to the same area was called in from Scarborough to make the trip. These were the sorts of inefficiencies and the sorts of things that went on. It was an unbelievable, unbearable bureaucracy. I am saddened if this is continuing under the closer-knit—hopefully—affiliation with the provincial service.

Mr. Chairman: Excuse me. Would this be a convenient place for the hon. member for St. George to break at this time?

Mrs. Campell: And come back on Tuesday? All right, can I have your promise that I'll be able to continue on Tuesday?

Mr. Chairman: Oh, I promise.

Hon. Mr. Winkler moves the committee rise and report.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply reports certain resolutions and asks for leave to sit again.

Report agreed to.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Mr. Speaker, before I move the adjournment of the House, as I previously announced, we will be on the budget debate tomorrow, and on Monday we will deal with the balance of the estimates of the Ministry of Consumer and Commercial Relations. On Tuesday, we will return to the estimates of the Ministry of Health—and the hon. member for St. George (Mrs. Campbell) has unanimous consent to proceed at the opening of the House.

Hon. Mr. Winkler moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10:30 o'clock, p.m.

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Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Ninth Legislature

Friday, November 1, 1974

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

THE QUEEN'S PRINTER
PARLIAMENT BUILDINGS, TORONTO
1974

10

Price per session, $10.00. Address, Clerk of the House, Parliament Bldgs., Toronto

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Daily index of proceedings appears at the back of this issue. Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff (Phone: 965-2159).

LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, NOVEMBER 1, 1974

The House met at 10 o'clock, a.m.

Prayers.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Mr. Speaker, if I may, before statements I would like to draw to the attention of the House that today, Nov. 1, 1974, marks the beginning of the 21st year of service in the Legislature to the Province of Ontario by the Minister of Colleges and Universities (Mr. Auld). I thought the Legislature would like to have that information.

Mr. Speaker: Statements by the ministry.

FOOD AID PROGRAMME

Hon. W. A. Stewart (Minister of Agriculture and Food): Mr. Speaker, I was almost so overwhelmed by the fact my colleague next to me has been here 21 years that I forgot to make the statement.

Hon. A. Grossman (Provincial Secretary for Resources Development): And he looks so young.

An hon. member: He is so young.

Hon. Mr. Stewart: Mr. Speaker, it is my pleasure to announce to the members a programme to provide through the offices of the Red Cross temporary aid to drought-stricken areas of the world where famine is a stark reality. Last August the Ontario Commissioner of the Canadian Red Cross requested consideration by the Province of Ontario in participating in aid to countries facing food shortages.

As many of the members are aware, Ontario produces a unique product known as the white bean. This crop is extremely high in protein and nutritional value. In 1973, the white bean growers of this province experienced certain weather conditions which caused the bean to split during and after harvest thereby making it unsuitable for canning. The food value of this product, however, is not affected by the splitting.

To avoid eventual spoilage and additional storage costs, the government of Ontario has decided to purchase approximately 65,000 bags of split white beans left over from the 1973 crop at a cost of approximately $800,000. This high protein food will be made available to the Red Cross which will assume responsibility for shipping it to the drought-stricken areas of the world.

I am confident that all members will agree unanimously with this food aid programme to help people faced with the ravages of starvation in those countries served by the Red Cross. I might point out, Mr. Speaker, that we are happy to have in your gallery this morning Rev. Barry Brooks, the commissioner of the Red Cross and, I believe, the president of the Red Cross for Canada.

Mr. Speaker: Oral questions.

BEEF PRICES

Mr. R. F. Nixon (Leader of the Opposition): I would like to pursue the matter the Minister of Agriculture and Food raised a week ago and which was also raised yesterday, having to do with a situation faced by the beef farmers in the province. Is the minister aware that in the Kitchener stockyards the kind of cattle that he is advising the beef farmers to sell for culls are going at 10 cents a pound, a price which was considerably lower than what we thought was a fire-sale price 15 years ago? Is he going to give more serious consideration to the recommendation from the Federation of Agriculture that specific subsidy payments should be paid from our Treasury, or in co-operation with this Treasury and the Treasury of Canada, for beef farmers so that they can feed their cattle over the winter and not have to simply give them away or, as in the almost obscene circumstances in Quebec, slaughter them and throw them into pits?

Hon. Mr. Stewart: Mr. Speaker, the situation referred to by my hon. friend is not quite as simple as one would be led to believe. I have no idea as to the price or the value or the quality of the cattle that he refers to.

Mr. R. F. Nixon: Tanners and cutters at 10 cents a pound.

Hon. Mr. Stewart: Tanners and cutters, all right. These are refuse cows from either the dairy herds or beef herds of the province and some may have been shipped in from western Canada.

Mr. R. F. Nixon: They are the cows the minister was talking about last week.

Hon. Mr. Stewart: These are the cull cows that we recommend should be taken out of the herds. In my opinion, there is no place for a boarder or an old cow to be kept around here in our province with the high cost of feed that we find today. We believe that these animals should be disposed of, but in their place we are encouraging farmers to purchase high quality beef heifers, so that when they come back into the breeding herd as producers in a couple of years time they might very well contribute to a source of beef that, in my opinion, will be badly required at that time.

I can see little use in providing a subsidy to people to carry those cows through.

Mr. R. F. Nixon: What about a subsidy to dispose of them?

Hon. Mr. Stewart: Probably a subsidy to dispose of them would be more appropriate. In this connection we have had discussions with the federal Minister of Agriculture to determine whether or not the beef stabilization programme currently in effect might apply to such animals. If it does, then I think there is basis for stabilization or deficiency payments to be made to those producers as time goes on. That is still under consideration; it has not been decided.

We have also suggested that, among other programmes the federal government is considering on a national basis, consideration should be given to extending the current stabilization programme, which runs from Aug. 1, 1974, to Aug. 1, 1975, into a longer period, which would make it possible for some of those calves, that we would like to see carried over into next year, fed off to market and qualify for that stabilization programme. If, however, the programme is cut off, as it is now proposed, on Aug. 1, 1975, some of those cattle—in fact, I would think, the vast majority of them—would not qualify for the stabilization programme because they would not be ready to come back to the fat slaughter market by that time. Those are things under consideration.

Reference was made to the calves that were disposed of and that horror film, of which I think some of us at least happened to see parts depicted on television, of the slaughter of these calves in Quebec. Let me say, Mr. Speaker, that as long as I can remember male calves from the dairy industry and certain of the cross-bred dairy beef calves have been disposed of at birth or within a few days of birth simply because there was no place for them to go, until the last few years when there developed a greater appreciation for veal in Canada and certainly, a market expanded or developed in Italy, Greece and, I believe, certain of the other Mediterranean countries. This generated the shipment by air of these calves from Ontario and Quebec to those countries at the age of from up to about 10 days to two weeks, some of them younger, where they would be fed to veal weights to meet the demand in those countries where veal is one of the chief sources of meat in the diet.

Due to economic circumstances which have developed in those countries over the last few months, I'm given to understand that there has been a vast drop-off in the demand for those calves. Farmers in eastern Ontario—and reports I've had emanating from Quebec—have told me that it was possible to sell those calves on a contract basis, picked up at the age of a few days old, at very substantial prices comparative to what they had been, and I'm talking now of from $30 to $60 apiece. Now, that market has dried up.

Many of these farmers simply have never been used to producing veal on their farms; they are milk producers. There is virtually no place to sell these calves, because when one considers the fact that we have in this province alone about 450,000 dairy cows and Quebec has a similar or even a greater number of dairy cows, one can readily understand that the surplus male calves don't find a home very readily. So many farmers, just as they did in Wisconsin a while ago, simply decided to destroy those male calves at birth or very shortly thereafter. Certainly the calves that I saw in the brief snatch of film on television last night—I didn't see the show the night before but I did last night—were calves that I would say were within a few days of birth.

Certainly it is a deplorable thing to see this happen, unfortunately. But what else can be done to persuade farmers to carry those calves through to maturity, with grain prices the highest they have ever been in recorded history in North America and with milk prices at the level where they can get more to sell the milk then they can to put it through the calf? This is plain economics. It is as simple as that, sir.

I have to say to you that through research programmes we have going on at the Kemptville agricultural college which I observed first hand last Saturday, research has proven that if they take the cholesteric milk from the cow which cannot be used for human consumption for at least five days and keep that cholesteric milk in a separate container, then all they have to do is add a little bit of buttermilk, which can be purchased in the stores for a few cents a package, dump it into that cholesteric milk and it will maintain the uniformity of the milk for up to 28 days. That cholesteric milk doesn't have to be specifically refrigerated, and it can be used to feed that calf on the basis of five pounds per day, then gradually getting the calf on to prepared calf food. It doesn't have to be purchased. It can be made up by the farmer and we have the formula available for him. We have been able to reduce the cost of producing that calf up to 400 or 450 pounds weight by almost two-thirds of the normal cost that would be associated with producing.

We are encouraging our farmers in eastern Ontario to do just that and, in fact, many of them are doing it. Some of the farmers told me that they deplored the fact that veal wasn't selling as high as it had been a while ago. Nevertheless, they were able to purchase these dairy calves that are surplus to the dairy farmers, the real milk producers, who don't have the accommodations or the time or the labour to raise these calves, and they are putting them on this basis of cholesteric feeding of this milk, because it is really a waste product. To my mind, that is a much more constructive approach to providing animal protein food for our human population, whether it be here or in some other country, than to destroy calves. I would like to see that programme vastly expanded and I can assure you, Mr. Speaker, that our government, as usual, is doing everything it possibly can to alleviate the losses being sustained by some producers.

Mr. M. Shulman (High Park): Mr. Speaker, will you extend the question period appropriately, in view of the ministerial statement?

Mr. Speaker: It was an unrehearsed statement.

Mr. Shulman: But it was still a 10-minute statement.

Interjections by hon. members.

Mr. Speaker: Order please. In my opinion it was a very complete answer and it was quite lengthy—

Interjections by hon. members.

Mr. Speaker: —therefore, we will extend the question period by about three minutes.

Hon. Mr. Grossman: They should give us a notice of motion, then it won't take so long to answer a question.

Mr. Speaker: Does the hon. Leader of the Opposition have further questions?

Mr. R. F. Nixon: Yes. Under the circumstances, I hesitate to ask a supplementary, but I think it is important that we realize that the problem is not just the poor, innocent black and white calves thrown into the pits in that spectacular TV production, but the calves that are presently out in the fields and pastures right across this part of the province and will be brought in, in many cases, for winter feeding within the next few weeks. It is those cows that were worth $250 a year ago and are now worth $100 or less at the present time, and those calves which were worth as much as 60 cents a pound a year ago which producers now can't sell at all, and if they can sell them they are probably worth something like 23 to 24 cents a pound. It is that particular part of the agriculture industry, not, let's say, the surplus male calves from the dairy industry but the aspects of the beef industry that have been encouraged to expand by this minister and by the minister in Ottawa—

Mr. Speaker: Order please. Ask the question.

Mr. R. F. Nixon: —and his predecessor. The farmers now find themselves hard pressed to even consider over-wintering them and they simply find the prices are so low that they—

Mr. Speaker: Order please. This is the question period, not a debate.

Mr. R. F. Nixon: What is the minister going to do about that problem? What is he going to do about that problem?

Hon. Mr. Stewart: Mr. Speaker, my hon. friend is making a big issue of something that is a fact of life that we just simply are not able to cope with in its entirety. My hon. friend may refer to the times when he and some of his colleagues stood in the House and said, "What are you going to do about corn at 75 to 85 cents a bushel?" Corn is now worth $4.50 and we don't hear them yapping about that. But that is really the problem.

Mr. R. F. Nixon: What does the minister mean, "yapping about that"? Is he against the right to disagree in this House?

Interjections by hon. members.

Mr. Speaker: Order. Order please.

Hon. Mr. Stewart: Mr. Speaker, my hon. friend stands up here and makes a big issue about me advocating that farmers dispose of culled cows. Certainly they should dispose of them, and I make no apologies for that.

Mr. R. F. Nixon: What are you going to do about these farmers who have no income because of these policies?

Hon. Mr. Stewart: I make no apologies, Mr. Speaker, on behalf of this government for having encouraged farmers over the last few years—

Mr. R. F. Nixon: He was certainly wrong when he did that.

Mr. Speaker: Order please.

Mr. R. F. Nixon: Why don't you tell the minister to come to order?

Hon. Mr. Stewart: —to make use of the vacant land that we have in this country, to produce calves, when we are bringing feeder cattle into Ontario to the extent of about 400,000 head annually from western Canada. The member is saying we shouldn't have done those kinds of things. Of course, I suppose he wants to take the stand where he is standing squarely in mid-air with a foot on each side of the fence.

Mr. R. F. Nixon: Very funny.

Hon. Mr. Stewart: Right. Last year he was encouraging beef cattle production and this year my hon. friend is discouraging beef cattle production and saying it's all our fault.

Mr. R. F. Nixon: It is the government's fault.

Hon. Mr. Stewart: It certainly is not our fault.

Mr. R. F. Nixon: They encouraged it to expand.

Hon. Mr. Grossman: The member was encouraging it last year.

Hon. Mr. Stewart: It is not our fault and nobody in his right mind would suggest that it is.

Mr. R. F. Nixon: All right.

Mr. Speaker: Order please.

Mr. R. F. Nixon: I wonder if the minister can say categorically if he is turning down the reasonable approaches made by the Ontario Federation of Agriculture, and simply saying this, his so-called loan programme, is the only answer he is prepared to undertake?

Hon. Mr. Stewart: Yes, Mr. Speaker, I indicated that last week and I did it for a very specific reason. If we provide $100 per cow it will reduce the cow herd in this province to the place where I think, as I said last week, it would hurt the future sources of beef production and would drive beef prices to a level that would make 1973 beef prices, at around $60 per 100 lb live weight, look like a Sunday school picnic. I don't think that is what we want to do as a responsible government.

Hon. Mr. Grossman: Now the member is on both sides of the fence.

Mr. R. F. Nixon: What are these farmers going to live on?

Mr. Speaker: Any further questions?

LAND ASSEMBLY IN EDWARDSBURGH TOWNSHIP

Mr. R. F. Nixon: I want to ask the Minister of Housing if he is now prepared to say that he does know something about the use of the land that is being assembled in his own constituency, in Edwardsburgh township. Can he confirm or is he prepared to deny that it is in fact a part of an industrial park that is going to be assembled by A. E. LePage and no doubt will come under the jurisdiction of some emanation of his ministry, as has been announced in the newspaper today?

Hon. D. R. Irvine (Minister of Housing): Mr. Speaker, I don't think we need go through the dialogue we had the other day—

Mr. R. F. Nixon: I hope not, because the minister said he didn't know anything about it.

Hon. Mr. Irvine: —I haven't got anything further to add, except to say that I would be delighted if something can be done to improve the economy of Grenville-Dundas in particular and of eastern Ontario. If there is a development that will do this, if it is an industrial park, I would be delighted if this comes about—

Mr. Shulman: Doesn't the minister know?

Hon. Mr. Irvine: —but I don't know what's going to happen in regard to the land. I don't think anybody else knows. We have a story in the Globe and Mail—and I know the member has read it—which outlines someone's reasoning as to what might happen to the land. If it does come about, fair enough.

Mr. R. F. Nixon: A supplementary: Doesn't the minister understand the concern of the people in his own area when their own member says he knows nothing about this but which may lead them to accept an industrial expansion over which they have not expressed an opinion to the officials of the government and to sell their property for $500 an acre in some kind of a collection of property that may go on to become a major new industrial centre? Surely the minister is not serving his own people adequately when he attempts to keep that under cover? Why doesn't he serve his people adequately in that regard?

Hon. Mr. Irvine: Well, Mr. Speaker, I think the hon. Leader of the Opposition has absolutely no knowledge of what he's talking about in regard to the land in question.

An hon. member: As usual.

Hon. Mr. Irvine: Why doesn't he come down and take a look?

Mr. R. F. Nixon: Why doesn't the minister tell us?

Mr. T. P. Reid (Rainy River): Why doesn't he tell us? That is his job. That is what he is paid for.

Hon. Mr. Irvine: If the hon. Leader of the Opposition had some knowledge of the land in question, he would realize that the people who signed the options received a very fair offer—

Mr. R. F. Nixon: For farm land, yes—but for industrial development, no.

Hon. Mr. Irvine: —and if they didn't think it was a fair offer, as I said before, there was no necessity for them to sign it. If it comes about that there is a government decision to acquire the land—

Mr. Shulman: But why doesn't the minister know?

Mr. M. Cassidy (Ottawa Centre): Why doesn't he know?

Mr. R. F. Nixon: Why doesn't the minister consult them?

Hon. Mr. Irvine: —then we will certainly dialogue directly with them. But it is not a matter of a government decision right now; it involves options by A. E. LePage.

Mr. Speaker: The hon. member for Ottawa Centre.

Mr. Cassidy: A supplementary, Mr. Speaker. Is the minister aware of any plans in his ministry or elsewhere to have a satellite city in that part of eastern Ontario, quite apart from this particular piece of land?

Hon. Mr. Irvine: Mr. Speaker, the only satellite city that I know of is Carlsbad Springs, with which the hon. member may be acquainted, since he comes from Ottawa—or used to, anyway. I would think that is a development that may come about in the next 10 years—

Mr. Cassidy: There will be three of us from eastern Ontario in another day or two.

Hon. Mr. Irvine: It may be that the development will be somewhat accelerated but, as I said the other day, it won't be accelerated ahead of its time because the federal government wants to proceed with it unilaterally. The province will say when it is going to go ahead. And it won't go ahead just because the member for Ottawa Centre says it should go ahead.

Mr. Cassidy: No, the minister is going to stay in bed with the developers. That's right.

Mr. Speaker: Does the hon. Leader of the Opposition have further questions?

MUNICIPAL VOTERS' LISTS

Mr. R. F. Nixon: I would like to ask the Minister of Revenue if he has any explanation for once again having inadequate municipal voters' lists? We won't talk about the provincial voters' list. The indications once again are that the municipal voters' lists in this town and in other places in the province have been poorly drawn, are misleading and open up the possibility of all sorts of electoral abuse.

Hon. A. K. Meen (Minister of Revenue): Mr. Speaker, the only information I have at the moment probably is generated by the same source that has generated the question by the hon. Leader of the Opposition.

Mr. R. F. Ruston: (Essex-Kent): All over Ontario it's the same thing.

Hon. Mr. Meen: I refer to an article appearing in this morning's Globe and Mail in reference to the voters' lists in ward six, and that concerns the university students who were registering during September.

I have asked my staff to look into this, but my preliminary information, subject to confirmation and perhaps subject to some elaboration later, is that we recognized that during the enumeration in September there would be students coming back and booking in at the various colleges around the University of Toronto. Our staff went to those various colleges and asked them to keep us posted on the students' names as they came in so that they could be put on the list during that period. But the difficulty was that they were booking in during the same period as the enumeration was proceeding.

In the case of St. Michael's College, I understand, we got excellent co-operation, and I understand that the voters' list for that college is virtually perfect. The other colleges were less than co-operative in the full extent, and as a result there are a substantial number of names that are subject to some question.

I may have more information later but it would appear that this is a difficulty that arises because of a significant number of people moving in at the time of the enumeration being conducted.

Mr. R. F. Nixon: A supplementary: Wouldn't the minister agree with the fact that though that may be a significant difficulty, the real difficulty is poll by poll through the city, and that the article he reads and the information that has come to us from western Ontario are fairly uniform? Names will appear six and eight times on one list; you have probably heard of the case of somebody named John Tory being on the list six times for a poll in the Toronto-Dominion Centre. That is not St. Michael's College, that is not University College.

Hon. Mr. Meen: That's the second point that is raised in the article to which the member did not refer, but the point is that in the computerized system the form asks, when you are a registered tenant or registered owner of the property: "Do you live in the premises, do you live in the municipality, or do you live in some other municipality?"

When people aren't at the premises all the time, on every occasion, we have to rely on other information being provided. It would look as if John A. Tory may have perhaps not completed the form. We have to assume, therefore, in these cases, rather than disenfranchise someone from the right to vote, that he has the right to vote if it has not been corrected otherwise. If we see them on the list we can't tell whether John A. Tory, J. A. Tory, John Tory, are one and the same individual. That turns up later in instances such as this. It is therefore up to the individual, in some instances. We do our own editing on these to some extent, to pick up obvious duplications, but in instances that don't come to our attention and aren't immediately obvious we try to err on the side of leaving the person on the voters' list rather than remove his name.

Mr. Speaker: Any further questions? The member for Ottawa Centre for the New Democratic Party.

DOCUMENTS JURIDIQUES BILINGUES
BILINGUAL COURT DOCUMENTS

Mr. Cassidy: Monsieur l'orateur, je voudrais poser certaines questions au ministère concernant les Franco-Ontariens de cette province, en particulier ceux qui habitent dans l'est de l'Ontario et dans le comté de Carleton-Est. Ces questions sont particulièrement importantes du fait que le candidat des conservateurs veut, je crois, être le représentant des Franco-Ontariens au sein du cabinet, s'il est élu. And the possibility of his getting elected becomes less and less every day.

A question of the Provincial Secretary for Justice and Attorney General, Mr. Speaker. Can he explain why provincial court traffic summonses and other court documents are issued only in English, despite repeated efforts by city hall and Ottawa over the last three years to have them issued bilingually, including a letter from Mayor Pierre Benoit?

Hon. R. Welch (Provincial Secretary for Justice and Attorney General): Mr. Speaker, the hon. member has been kind enough to have written to me on this particular matter. We are in the process, in preparing our reply, of showing him over a period of time how we plan to, in fact, implement this particular procedure.

At the moment, as he knows, in the Ottawa-Carleton area we do, in fact, attach to all summonses a sticker explaining in French the procedures to be followed by those to whom these documents have been served. What the hon. member makes reference to now is some further steps with respect to the documentation. It certainly is the intention of this ministry to proceed in an orderly way to accommodate the matters to which he makes reference.

Mr. Cassidy: In view of the fact that this has been done to Franco-Ontarians, I suppose for the last century, does the minister consider that the little ticket that says "Renseignement: telephoner"—and a certain phone number is a sufficient equal treatment for Franco-Ontarians that may not understand the document?

Hon. Mr. Welch: The minister wasn't suggesting that at all. He was certainly indicating by his answer that the importance of the matter to which the member makes reference has not been ignored. This was a first step; there are other steps obviously to be taken and they will be taken in an orderly way.

LANGUAGE RIGHTS IN COURTS

Mr. Cassidy: A new question, Mr. Speaker, of the same minister: Can the minister explain why civil cases in Ontario courts can only be heard in English even when all parties are French-speaking, some speak only French, and all wish to proceed in French? What plans are there for changes in order that the civil proceedings can be heard before a French-speaking judge when there are French-speaking people involved?

Hon. Mr. Welch: This particular matter is under consideration at the moment as well, Mr. Speaker.

Mr. Cassidy: Well, there is no action on that.

Hon. Mr. Welch: Mr. Speaker, I think it is completely unfair for members to be allowed editorial comments after a minister makes his answer and I think that his interpretation of my answer is unfair. I indicated to him in a very frank way that these matters are under consideration as part of this government's policy on bilingualism, and for him to indicate just offhand in this editorial way just does not seem to be reasonable to me.

Mr. R. F. Nixon: He indicates in a frank way that nothing has been done.

BILINGUAL BIRTH, MARRIAGE, DEATH CERTIFICATES

Mr. Cassidy: A question, Mr. Speaker, of the same minister in the absence of the Minister of Consumer and Commercial Relations (Mr. Clement). Is the policy minister aware that if you are born in Ontario, married in Ontario or if you die in Ontario, you do so in English? And what plans does the government have to issue bilingual birth, marriage, and death certificates?

Hon. Mr. Welch: I think that question should be directed to the appropriate minister.

Mr. Cassidy: Mr. Speaker, I would ask the minister to reply as it is a policy matter which affects all of the Justice ministry.

Hon. Mr. Welch: The minister has replied, Mr. Speaker.

Mr. J. F. Foulds (Port Arthur): Nothing has happened.

BILINGUAL ELECTION DOCUMENTS

Mr. Cassidy: Okay, Mr. Speaker, my next question is of the Treasurer.

Can the Treasurer explain why the election documents for the forthcoming municipal elections, which are sent out to all municipalities and include notices to electors that are posted in each poll, are issued only in English? And why is no such documentation made available to be posted in French in areas where there are a substantial number of French-speaking electors?

Hon. J. White (Treasurer, Minister of Economical and Intergovernmental Affairs): No, sir, I can't. This may not be in my ministry, but I'll check it.

Mr. Cassidy: Well, Mr. Speaker, this is a matter of municipal affairs, I believe, which is under the control of the Treasurer in the absence of a minister without portfolio to fill that particular responsibility. Is this not the ministry responsible for municipal elections?

Hon. Mr. White: I'll be glad to look into it.

Mr. Cassidy: Thank you, Mr. Speaker.

BILINGUAL ENUMERATION PERSONNEL

Mr. Cassidy: A question of the Minister of Revenue: What plans does the Ministry of Revenue have to ensure that in the next municipal enumeration carried out by his ministry, bilingual personnel are provided in areas where there are a substantial number of francophones, in order that the franco-

phones not be left off the list, as has happened in Ottawa in the current census?

Hon. Mr. Meen: Mr. Speaker, I don't know of any significant plans I have under way that are different from the current arrangements, in which we endeavour to have enumerators fluent, or at least conversant, in the languages most expected to be found when they're conducting their enumeration in these various areas. In the Franco-Ontarian areas, I would expect that there would be a substantial number of French-speaking enumerators. However, if there are some problems of this sort which the hon. member for Ottawa Centre can bring to my attention, I'd be happy to look into them.

BILINGUAL SOCIAL WORKERS

Mr. Cassidy: Mr. Speaker, a question of the Minister of Community and Social Services. What plans does the ministry have to ensure that every person in eastern Ontario, or other parts of the province where there are a substantial number of francophones, who wishes to deal with his social worker or with the ministry in French, will have that right automatically and not be assigned unilingual English case workers?

Hon. R. Brunelle (Minister of Community and Social Services): Mr. Speaker, I think in our ministry, wherever a good percentage of the population is French-speaking—in northern Ontario, eastern Ontario and other parts of Ontario—we have bilingual social workers. Also, practically all of our literature is bilingual.

Mr. R. F. Nixon: Répondez en français.

Mr. Cassidy: Well, that doesn't quite gibe with what we find in our area.

BILINGUAL OPP CONSTABLES

Mr. Cassidy: A question of the Provincial Secretary for Justice and Attorney General, Mr. Speaker.

Is the minister responsible for the justice area aware that the majority of OPP constables in the united counties of Prescott and Russell, which are overwhelmingly francophone, are unilingually English? And, as a matter of policy, what plans does the ministry have to ensure that where there are a substantial number of francophones, most if not all of the constables will be bilingual?

Hon. Mr. Welch: Mr. Speaker, I am not familiar with the linguistic capacities of the members of the force in that part of the province, but I'd be glad to get that information for the hon. member.

Mr. Speaker: Any further questions?

Mr. Cassidy: Mr. Speaker, a final question in this area—

Hon. W. D. McKeough (Minister of Energy): Seventh question!

Mr. I. Deans (Wentworth): Excellent questions, too. They are embarrassing the government, of course, but they are excellent questions.

Mr. Cassidy: And very quick too, as a matter of fact. I've been on my feet for half the time of the Leader of the Opposition.

Interjections by hon. members.

Mr. Speaker: Order, please.

Mr. Deans: As the House leader, I can decide who asks the questions.

Mr. Speaker: Would the hon. member proceed with his question?

BILINGUAL PERMITS AND LICENCES

Mr. Cassidy: A question of the Provincial Secretary for Resources Development, who is responsible for the area of transportation and communications.

Is the Provincial Secretary for Resources Development aware of the fact that Ontario drivers' licences, motor vehicle permits and trailer permits are issued only in English? And, as a matter of policy, what plans does the government have for making those bilingual?

Hon. Mr. Grossman: Mr. Speaker, ich denk ich vel entferen zein shaleh in mein lauschen. Er vet nisht fershtayn ober ich vel enterferen in mein lauschen. [Translation: I think I will answer his question in my language. He won't understand, but I will answer in my language.]

Interjections by hon. members.

Hon. Mr. Grossman: You see, Mr. Speaker, I just wanted to let the hon. member, who was showing off the fact he was bilingual, that I am bilingual as well.

Mr. Deans: It is too bad the minister doesn't have any answers in either language.

Hon. Mr. Grossman: I just gave him an answer. I can't help it if he is not educated enough to understand another language.

Mr. Speaker, the Ottawa Centre member knows perfectly well that his question should be directed to the Minister of Transportation and Communications (Mr. Rhodes). As I told the hon. members during my estimates—I don't recall if he was there—I don't intend to usurp the responsibilities of the individual ministers in my policy field.

That is a question which he could have asked a long time ago. It is rather strange that he just became aware of it during a by-election in his neck of the woods. He should have asked the minister a long time ago to let him have an answer, and perhaps if something should be done which isn't being done now, perhaps it would have been corrected, if in fact it needs correcting at this time.

I direct that question, Mr. Speaker, to my colleague, the Minister of Transportation and Communications.

Mr. Speaker: Do you have any further questions?

Mr. Cassidy: Yes, I do. It is rather strange, in fact, that the government wasn't aware of these things a long time ago and didn't do something about them.

EQUAL TREATMENT OF FRANCO-ONTARIANS

Mr. Cassidy: A question of the Premier, Mr. Speaker: In view of the fact that one can't be born, married, die, drive, get arrested, or vote municipally in French in this province; that you may not be put on the census in French and you may not get social assistance in French—and there are a number of other areas I didn't bother to mention—could the Premier say what, in fact, are this government's intentions in terms of providing equal treatment to those citizens of Ontario who speak the other official language?

Hon. W. G. Davis (Premier): Mr. Speaker, I recognize the political purpose of this total series of questions and I recognize the member for Ottawa Centre is particularly interested in playing politics at this precise moment.

Mr. R. F. Nixon: That is why we are here.

Hon. Mr. Davis: I would only observe to the member for Ottawa Centre that this government and this province has, over the years, recognized the involvement of the Franco-Ontarian community. We have done it in terms of government administration, we have done it in the field of education, we have done it in a way that has caused very little friction or debate and in a way that has been, over the past number of years, reasonably acceptable to the Franco-Ontarian community.

I would say, Mr. Speaker, with great respect, that while the member for Ottawa Centre is trying to provoke this into something of a partisan political situation, this government has done and will continue to do the things that are relevant for the Franco-Ontarians in a way that is acceptable to them and to the total population of this province, and we will not be provoked into the kind of debate or confrontation the member for Ottawa Centre is trying to provoke here.

Mr. Speaker: A supplementary, the member for Port Arthur.

Mr. Foulds: A supplementary: In view of the Premier's answer, and in view of the Gillin report and its indictment of the teaching of French in Ontario, what steps is the government willing to take to implement the recommendations of the Gillin report?

Hon. Mr. Davis: Mr. Speaker, that question would be more properly directed to the Minister of Education (Mr. Wells).

Mr. Deans: If he were ever here.

Hon. Mr. Davis: With great respect, Mr. Speaker, I could almost be prompted into answering the question but I think it would be more appropriate for the Minister of Education; except to make this rather general observation once again, that as far as this government is concerned we have made far greater progress in the teaching of French in the elementary and secondary school system than any other sister province. When it comes to the teaching of English in the bilingual elementary and secondary school system, we have once again made greater progress than our sister jurisdictions in a way that has been generally acceptable to the students and to the staff and to the public of this province and in a way that has not led to any degree of confrontation, and that is how the thing should be done, not the way you people want to do it, by provoking debate.

Mr. Deans: What in heaven's name is wrong with debate?

Mr. Cassidy: I have one final question, Mr. Speaker.

Mr. Speaker: The member for Ottawa Centre with his final question.

HISTORIC FARMHOUSE

Mr. Cassidy: A question of the Provincial Secretary for Resources Development: Will the government intervene in order to preserve and move the farmhouse of Mr. Dugal Jamieson near Renfrew, in view of its error in undervaluing this historic stone farmhouse of over a century's history, and in view of the fact that the farmhouse is now being expropriated by the ministry and this fellow is being pushed aside?

Hon. Mr. Grossman: Mr. Speaker, obviously I can't answer that because I don't know where the farmhouse is or by whom it is owned. It's the first time I've heard anything about it. If the hon. member will let me have the facts, I will direct them to the appropriate minister, and I'm sure what needs to be done will be done.

Mr. Cassidy: I thought I sent something to the minister on this. It concerns the Minister of Transportation and Communications. I would appreciate the minister looking into a very serious abuse of government power which once again affects eastern Ontario. Thank you.

Mr. Speaker: The hon. Minister of Natural Resources has an answer to a question.

STUDIES ON DEATHS IN URANIUM MINES

Hon. L. Bernier (Minister of Natural Resources): Mr. Speaker, I have the answer to a question directed to me by the leader of the New Democratic Party. I realize he's not here today, but I will not be here on Monday myself. There was some concern about it, so I thought I would give the answer today. It's an answer to his supplementary question, which was: "Since Dr. Muller himself calls it a previous report, dated 1973, could the minister find out and inform the House what happened to the document? It was obviously a document. Now what happened to it?" That was his question.

Mr. Speaker, the document to which the member referred was a preliminary document, presented in 1973 to the Committee on Occupational Health, consisting of doctors from the Ministry of Health, representatives from the Workmen's Compensation Board and industry. The four-page report was studied by the committee who agreed that further investigation and information was needed. Dr. Muller undertook to prepare the final report for further public consumption, which was completed and published in September, 1974.

Mr. Deans: A supplementary question, if I may: Is the minister telling us that he didn't have knowledge of that report prior to the time that his estimates were being debated in the committee?

Hon. Mr. Bernier: No, Mr. Speaker, or I should say yes, we were aware that this report existed. It was an incomplete report, as Dr. Muller himself points out, and we were waiting for the final draft which followed shortly after the presentation of the estimates.

Mr. Deans: One final supplementary question, if I may.

Mr. Speaker: One final supplementary.

Mr. Deans: Did that preliminary report not contain an analysis of the rate of death attributable to cancer in the Elliot Lake area in the mines, in particular, over and against the normal rate of death in the remainder of the province? Wasn't that sufficient to justify in the minister some kind of action related directly to the miners in that area rather than waiting for a final report, a delay which may well have contributed to additional deaths?

Hon. Mr. Bernier: Mr. Speaker, I want to point out that this whole question of radon and cancer was not just begun in 1973. It dates back much further than that. It was an ongoing thing. The information—it's a very technical report—was not conclusive and it was not updated. The professional—

Mr. J. A. Renwick (Riverdale): It was just not very clear.

Hon. Mr. Bernier: —people felt that further information and updating with the relative information that was available at that time were needed before some solid conclusions could be arrived at.

Mr. Speaker: The member for Welland South.

Mr. R. Haggerty (Welland South): I will yield to my leader.

Mr. Speaker: The hon. Leader of the Opposition.

ENFORCEMENT OF MORAL STANDARDS BY LIQUOR LICENCE BOARD

Mr. R. F. Nixon: Mr. Speaker, since the Premier has come into the House, I would like to ask him if he agrees with the understanding by the chairman of the Liquor Licence Board that the statute of Ontario gives him the power to act as, let's say, the judge, the censor on the custodian of the morality—

Hon. Mr. Grossman: The coverup.

Mr. R. F. Nixon: —of the entertainment that is presented in the facilities that come under his licensing jurisdiction? Would the Premier not agree that these matters are the responsibility of the local law enforcement officers and they do not repose in the mind or in the authoritative hand of the chairman of the liquor board and his inspectors?

If you will permit me, Mr. Speaker, would the Premier not also feel that some direction from his office or from the minister concerned to the Liquor Licence Board is necessary, if the inspectors are going to go around threatening to remove the licences of those particular establishments which offer entertainment that does not come up to the standards that are in the minds of the inspectors and the chairman himself?

Mr. Reid: Blackmail, what!

Hon. Mr. Davis: Mr. Speaker, I will have to check the provisions of the Act. I'm not sure just what the provisions call for with respect to the responsibility of the chairman. I will discuss this with the minister responsible who will be here on Monday. I'm sure he will be delighted to answer it for the hon. Leader of the Opposition.

Mr. Shulman: It is not there.

Mr. R. F. Nixon: A supplementary: Since the matter should be discussed here, would not the Premier indicate that, in his view, the chairman does not have that power and should not have it, and that he is about to set him straight when he's had these discussions?

Hon. Mr. Davis: Mr. Speaker, I think the first thing to determine is whether by statute or by policy, he, in fact, does have some degree of power, and this is what I will discuss with the minister.

Mr. Deans: If he has, he shouldn't. It is not his jurisdiction.

Hon. Mr. Davis: I'm not commenting on that, I'm just—

Mr. Reid: That's why we asked the question.

Mr. Speaker: The hon. member for High Park.

TOPLESS DANCING IN DINING LOUNGE

Mr. Shulman: In view of the absence of the Minister for Consumer and Commercial Relations, a question of the Provincial Secretary for Justice, or the Premier. The night raiders, the Liquor Licence Board, struck again last night, giving orders that all topless dancing in dining lounges be stopped. Will the minister intervene to put some common sense back down on Harbour St.? And, as a second part of the question: Is the minister aware that the excuse given to the ministry was that the topless dancing was to be taken out of the dining lounges and put in the lounges of these establishments, but that none of these establishments have lounges, and they won't give them lounge licences?

Hon. Mr. Davis: Mr. Speaker, I recognize the member for High Park has great interest in this cultural activity as part of the entertainment life of the Province of Ontario. I'll certainly bring this to the attention of the minister at the beginning of the week.

Mr. Speaker: The hon. member for Welland South.

HYDRO RATES

Mr. Haggerty: Thank you, Mr. Speaker, a question of the Minister of Energy. Can the minister indicate to the Legislature when we can anticipate some direction from his ministry relating to the equalization of hydro rate structures in Ontario as they apply to industrial corporations and municipal utility corporations?

Hon. Mr. McKeough: I'm not altogether clear what the member is driving at. Is he referring to, for example, in the Niagara region, the rationalization of rates rising out of the restructuring of government?

Mr. Haggerty: Is there a special rate for industry?

Hon. Mr. McKeough: The rates for the large industries in the Niagara Peninusla are largely set because they are direct customers

of Ontario Hydro. But the whole question of the rationalization of rates within municipalities, be they industrial, commercial, residential, or whatever, is presently part of the Hogg committee studies.

Mr. Haggerty: Is not the utility corporation itself the same as the industrial corporation, and they distribute to the local users? They buy power in bulk from Hydro.

Hon. Mr. McKeough: Yes, but I think the problem is at the retail end within the peninsula, as it is within several other areas. The boundaries of the various utilities commissions don't necessarily correspond with the boundaries of the new municipalities. Therefore, you have a variety of rates—Ontario Hydro direct rates and, perhaps, commission rates—within a municipality.

This is a subject which is not a new one. It has given more than some concern to successive ministers responsible for municipal affairs and ministers responsible for Ontario Hydro. It culminated in a report known as the Hogg committee report, which was made available and was tabled last February. I would expect the government, within a reasonable period of time, will be announcing steps which should be taken flowing from the Hogg committee report.

Mr. Speaker: The hon. member for Wentworth.

APPRAISAL OF HOMES AT BURWASH

Mr. Deans: Mr. Speaker, I have a question—I'm not absolutely clear whether it might be answered by the Minister of Government Services or the Minister of Correctional Services (Mr Potter), so if both would listen, I'd appreciate it.

My colleague from Sudbury East (Mr. Martel) is eager to know whether it is true that the assistance being offered to Burwash residents to sell their homes and to relocate requires that:

No. 1, an appraisal will be taken on behalf of the government in addition to the appraisal that they might be able to arrange themselves.

No. 2, that the short list of approved appraisers is prepared by the government, and they are not prepared to accept appraisals from other than those on that short list.

No. 3, that many of the appraisal firms on the short list refuse to tell the individual employees, or those who are trying to sell their properties, what the appraised value is.

And would the minister—whichever minister it is—in particular inquire into the case of Charles Moore, who was offered $12,000 by a Mr. Bruce Martin on behalf of the government; and who, upon getting a truly independent appraisal, had his home valued at $16,900? He was refused the opportunity to see the appraisal done—supposedly on his behalf—by the firm which is conducting appraisals from the short list the government provided.

Hon. J. W. Snow: (Minister of Government Services): Mr. Speaker, I don't know the details on this particular case; I'll take the question as notice.

Mr. R. F. Nixon: A lot of detail in that question.

Mr. Speaker: The hon. member for Huron.

BROILER PRICES

Mr. J. Riddell (Huron): Thank you, Mr. Speaker. A question of the Minister of Agriculture and Food. Is he aware that the Quebec chicken producers' marketing board in all probability will be announcing a two cent decrease in the price paid to broiler producers in Quebec next week and that if the Ontario chicken producers' marketing board is compelled to lower its price to correspond to the Quebec level, then the industry could quite conceivably be entering the threshold of a price war in chickens? How many of these food production industries can we allow to go bankrupt before we step in and take some action?

Hon. Mr. Stewart: Mr. Speaker, the hon. member is as usual trying his best to incite a problem between Ontario and Quebec.

Mr. Deans: The minister is paranoid!

Mr. Reid: He has to be kidding!

Mr. Deans: Everybody is inciting problems.

Mr. Reid: He is getting paranoid.

Interjections by hon. members.

Mr. Speaker: Order, please.

Mr. Ruston: It's losing these by-elections in the province.

Hon. Mr. Stewart: I can tell you quite frankly, Mr. Speaker, we have reports of all the phone calls he is making to everybody in the province trying to stir up problems.

Mr. R. F. Nixon: Stir up? Oh, boy.

Mr. Foulds: Is the minister saying the government wiretaps our phones?

Mr. R. F. Nixon: What kind of an allegation is that? You should concern yourself with that allegation, Mr. Speaker.

Hon. Mr. Winkler: Well, everybody should.

Mr. R. F. Nixon: I'll say. It is rotten.

Hon. Mr. Stewart: It isn't really. All I know Mr. Speaker, is I'm getting reports from the people who are receiving these calls and they are quite distressed.

I may say, Mr. Speaker, there is no compulsion in any respect on the Ontario Broiler Chicken Marketing Board to set their price. Whatever they decide to set it at yesterday or today, or in conjunction with the Quebec price, is entirely up to them. It's their job to do that, and it is in their hands to do so. What they will do I don't know.

I do know that they are having meetings with the Quebec chicken marketing board and I can assure you that there are conversations going on between the officials of my ministry and the officials of the Quebec ministry in the hope that we can do something to resolve the great difficulties that do from time to time occur between the Province of Quebec's and the Province of Ontario's chicken marketers. To me, the problems are simply magnified by giving the type of public exposure which unfortunately seems to be the wont of our friend from Huron.

Mr. Speaker: The member for Port Arthur.

Mr. Foulds: Thank you, Mr. Speaker. A question of the Treasurer, if I might—

Mr. Speaker: One final question by the member for Port Arthur.

Mr. Foulds: Thank you, Mr. Speaker.

Mr. Riddell: Supplementary.

Mr. R. F. Nixon: There is a supplementary question.

Mr. Speaker: No supplementary questions.

Mr. Riddell: It is pretty serious, Mr. Speaker.

Mr. R. F. Nixon: On a point of order, Mr. Speaker, the hon. Minister of Agriculture and Food indicated in your presence that in his opinion the hon. member was making phone calls around the province inciting discontent. Surely you are going to give him an opportunity to ask a supplementary question, even if it isn't to deal with that scurrilous allegation.

Mr. Speaker: Well, the time has just about expired.

Interjection by an hon. member.

Mr. R. F. Nixon: I shouldn't use such big words in the Premier's presence, but scurrilous is exactly the right one.

Mr. Speaker: Order, please.

Mr. Riddell: Mr. Speaker, I will consider the allegation from the source from which it came but my supplementary—

Mr. Speaker: Supplementary question.

Mr. Riddell:—my supplementary question is: How can the minister say that the Ontario chicken producers' marketing board is free to establish prices when the Farm Products Marketing Board last week rescinded that regulation and told them that they had to reduce their price to meet the Quebec level?

Mr. R. F. Nixon: We hear it was on the instructions of the minister—how about that for an allegation?

Mr. Deans: And when I asked the minister that a few days ago, what did he say?

Hon. Mr. Stewart: I have no comment about what happened last week. I simply say they are free as of yesterday. Thursday is the normal day for them to set their price—at whatever level they believe is appropriate. That is their responsibility.

Mr. Speaker: The member for Port Arthur.

Mr. R. F. Nixon: The minister hasn't gotten over losing the by-election in Huron. It still smarts. Toughest Tory of them all.

VOTING PROCEDURES FOR HANDICAPPED PERSONS

Mr. Foulds: I would like to ask the Treasurer, in his capacity as Minister of Intergovernmental Affairs, if he is aware of the resolution of the Toronto city council with regard to voting procedures for handicapped people for the forthcoming municipal elections, and is his ministry able to take action to increase accessibility of voting polls for handicapped people in the forthcoming municipal elections?

Hon. Mr. White: I am aware of that and I have responded to it and I will send the

member a copy of my letter. Basically there are two existing solutions. One is that handicapped persons in an institution have a polling box taken to them. The other is that handicapped persons who are not institutionalized have the opportunity of authorizing somebody to vote for them by proxy.

Mr. Cassidy: Supplementary, Mr. Speaker.

Mr. Speaker: Order, please. The question period has gone beyond its extended time. I will recognize the member for York North.

Mr. W. Hodgson (York North): Mr. Speaker, I would like to introduce to you, and through you to the members of the House, a group of guests we have here this morning. We have 50 grade 9 students in the east gallery and 50 in the west gallery from Huron Heights Secondary School in Newmarket under the leadership of Dave Kerwin.

Mr. Speaker: Petitions.

Presenting reports.

Mr. McNeil from the standing resources development committee reported the following resolution:

RESOLVED: That supply in the following amounts to defray the expenses of the Ministry of Labour be granted to Her Majesty for the fiscal year ending March 31, 1975:

Ministry of Labour

Ministry administration programme	$3,659,000
Occupational safety programme	4,425,000
Industrial relations programme	2,413,000
Human Rights Commission programme	880,000
Employment services programme	2,307,000
Women's programme	365,000

Resolution concurred in.

Mr. Speaker: Motions.

Hon. Mr. Winkler moves, seconded by Mr. Gaunt, that Mr. G. E. Smith, the member for Simcoe East, be deputy chairman for committees of the whole House for the present session.

Motion agreed to.

Mr. Speaker: Motions.

Introduction of bills.

ELECTION ACT

Mr. Reid moves first reading of bill intituled, An Act to amend the Election Act.

Motion agreed to; first reading of the bill.

Mr. Reid: Mr. Speaker, this is the same bill that I introduced in 1972, dealing with disclosures and the amounts of money that might be made available to candidates and parties during elections. It requires disclosure in any amounts donated over $500 either in money or in kind. I haven't changed the provisions of the bill, sir, because I thought I would save the taxpayers some money by presenting the bill in the same form as I did in 1972. I hope the government will act on it before the next election.

Mr. Speaker: Orders of the day.

Clerk of the House: The first order, resuming the adjourned debate on the amendment to the amendment to the motion that this House approve in general the budgetary policy of the government.

BUDGET DEBATE
(continued)

Mr. Speaker: The member for Stormont.

Mr. G. Samis (Stormont) Monsieur l'Orateur, chers collègues de l'Assemblée, il me fait grand honneur d'être ici adjourd'hui, député pour le comté de Stormont à l'Assemblée législative.

Vous savez sans doute que c'est la première fois depuis le confédération que les électeurs de Stormont ont élu un membre d'un autre parti politique que le parti conservateur et le parti libéral.

Vous savez sans doute, M. l'Orateur, que j'ai l'honneur de représenter un comté dans lequel les deux races principales du Canada demeurent ensemble et en harmonie. Naturellement nous avons nos problèmes, comme une famille, mais les gens de Stormont sont fiers d'être Canadiens et citoyens de la province d'Ontario.

Comme citoyens d'Ontario, ils ont leurs droits et c'est à cause de cela que j'ai décidé de commencer mon discours dans la langue française. Comme leur député et leur porte-parole à l'Assemblée, je serai prêt pour défendre les droits des francophones de Stormont. Je sais que la grande majorité des députés ici aujourd'hui parlent la langue de Shakespeare, pas le français et à cause de cela je ferai la majorité de mon discours en anglais.

Mais avant cela, j'aimerais dire que pour mon élection j'ai été appuyé par les anglophones et les francophones ensemble; je ne suis pas un député d'un groupe ou un autre groupe, mais pour toute la population de Stormont.

Tout ce que nous voulons, M. l'Orateur, c'est la justice sociale et économique pour l'est de l'Ontario. Nous voulons les mêmes droits, les mêmes opportunités, la même sécurité et simplement le même traitement que les gens de Toronto—pas plus, pas moins, la même chose.

Mr. Speaker, it is indeed a great honour for me to be here today and to be able to address the members of the House. As you know, the county of Stormont is one of the oldest counties in the Province of Ontario. The city of Cornwall was founded in 1783 by the United Empire Loyalists. So even though we may be a bit out of the mainstream of life, in terms of Toronto and the Niagara region, our origins go right back to the founding of Upper Canada, and the people of Stormont feel proud of their origins and are proud to be a part of Ontario.

Mr. Speaker, it is also an historic occasion because I have the unique honour of being the first member or deputy from a party, other than the Liberal or the Conservative Party, representing the county of Stormont.

I think it is important that the members of the House ask themselves: Why did the people of Stormont decide to try a third party for the first time in 107 years? Why did the people of Stormont turn their backs on the Davis candidate? Why did the Progressive Conservative vote diminish by 6,000? Why did the anti-government vote in Stormont outnumber the government vote by 16,000 to 7,000 votes?

Mr. Speaker, I think it is important that the government of Ontario know the reasons why the people of Stormont are not happy and not satisfied. It's obvious that the electors of Stormont are not satisfied with the record of the Davis government in general, and in eastern Ontario in particular.

The people in our county and our region feel that we are being neglected and ignored by a government that has grown too powerful, too distant, too complacent and too unwilling to listen to people, especially average people. The people of Stormont felt that a check was needed on this government, because it has such an overwhelming majority in the Legislature.

The people of Stormont were not intimidated, not blackmailed, by the veiled threat that if they didn't vote for the Davis candidate they would be cut off from government grants and programmes. The people of Stormont were not swayed by an expensive, slick, Toronto-centred saturation advertising campaign that tried to gloss over the issues and pretend that there were no serious provincial issues and no serious problems in Stormont.

I think one of the best expressions of the people of Stormont, Mr. Speaker, was this card I received in the mail from a gentleman who is now living in Ottawa, who voted Conservative in 1971. He sent me a card of congratulations. I would like to read this into the record, because I think he speaks for many people in the county of Stormont. He said very simply: "I am glad somebody showed the 'big blue machine' that governing Ontario is not their exclusive, God-given right."

Mr. J. F. Foulds (Port Arthur): Well said.

Mr. Samis: I think there are many people in our riding who feel exactly the same way.

Mr. I. Deans (Wentworth): Right across the province.

Mr. Samis: And across the province, probably.

The people of Stormont, in this election, have some very deep-rooted feelings about how this province is being administered, and no amount of advertising, and no amount of "big blue machine" politics from Toronto, could dissuade them from making their views public. There is a basic, deep-rooted, widespread feeling in Stormont, as well as in other parts of eastern Ontario, that we are continually getting the short end of the stick when it comes to economic development, prosperity and government programmes. As my colleague from Ottawa Centre has pointed out repeatedly to the members of this House, the average income in eastern Ontario is $946 below the provincial average of $7,226. Our economic growth rate is behind the rest of the province. Our rate of welfare assistance is higher than the provincial average. Our farmers earn less than farmers in the rest of Ontario.

How many communities the size of Cornwall would have endured an unemployment figure of 20 per cent? In 1970, the city of Cornwall had an unemployment figure of 20 per cent. When people in the Niagara and Toronto region get uptight about six or seven per cent unemployment, the people in our region are accustomed to figures of 15, 16, 17, 18, 19 and 20 per cent unemployment. When you have unemployment to that extent, Mr. Speaker, you are having real suffering

and real deprivation in your community. Some people may say we've grown accustomed to being a depressed area and have grown accustomed to having high unemployment. But there's a legacy and a long memory that the provincial government did virtually nothing to help us, while the Toronto-based region basked in an unending cycle of prosperity, expansion and good times.

Fortunately, there is a change due to the recent acquisition of infra-structure grants, the addition of two major industries, the proposed federal transport school, and the excellent job being done by our outgoing mayor in revitalizing the civic administration and converting the somewhat traditional semi-defeatist psyche into a positive, dynamic, forceful approach. Despite all these changes, Mr. Speaker, the people of Stormont have a long memory of the economic injustices perpetrated upon them and of how little the provincial government did to alleviate those injustices and the human suffering that accompanies unemployment, stagnation and misery. The people of Stormont want, and they deserve their fair share of the good life. They fully expect that the provincial government will do everything in its power to see that no region of Ontario has to suffer from the boom-or-bust economic cycle and lengthy periods of stagnation and slow growth, if not outright, decay.

Mr. Speaker, the people of Stormont have not forgotten that in the matter of highways eastern Ontario was the last portion of 401 to be completed. The people of Stormont have waited patiently for years for a decent road to connect Cornwall with Ottawa and they have waited for a long time for improvements on Highway 138 and Highway 34. They wonder why the government has been so slow in establishing decent road and transport facilities between Ottawa and Morrisburg and Cornwall. The construction of Highway 417 is a project that has passed even the almost unflappable patience of Eastern Ontario residents. Why is it that such a vital transport link in eastern Ontario is taking so long to construct as the entire St. Lawrence Seaway? It is incredible.

Why does eastern Ontario get the bread crumbs and the Toronto region the caviar? The people of Stormont wonder why every new major government showcase has to be located in the Toronto-Niagara region. The new steel complexes, new development cities, Ontario Place, science museums, levitation train experiments, always have to go to Toronto in every single case. Doesn't Ontario extend east of Scarborough as well as west? Does it necessarily defy some law of gravity to locate a government showcase project somewhere east of the Toronto city limits?

Mr. Speaker, the people of Stormont wonder why their post-secondary educational facilities have to be physically inferior to those of other communities in the province. Let me explain. We have an excellent and growing campus in St. Lawrence College, but we are not getting our fair share and our fair shake from the provincial government in comparison with other cities. St. Lawrence College in Cornwall is serving the united counties of Stormont, Glengarry, and Dundas, which have a combined population of approximately 100,000 people. The enrolment at the college has risen to 1,500 students, if one includes all the various programmes and divisions. There is a strong and growing need for a college of this type. But look at what the people of Cornwall and St. Lawrence College are strapped with. They are short at least 140,000 sq ft of space in order to serve the community. Why is it that Cornwall has 96 sq. ft? Kingston has 151, Belleville has 177; Lambton has 164; Canadore has 164; Durham has 216 and Cornwall has 96 sq ft. Why does Cornwall always get the rotten end of the stick?

An hon. member: Shameful.

Mr. Samis: The imposition of the spending freeze has put Cornwall in an inferior educational position, as you can readily see. As a result, we have suffered more than other communities in terms of the freeze. We realize that the freeze was universally applied, but we feel that its application was especially unfair to Cornwall. We fully expect rectification of that situation in the very near future and, as the member for Stormont, I intend to see that the Premier of Ontario (Mr. Davis) fulfils his promise made one week before the election.

Mr. Speaker, there are a whole series of other groups in Stormont, who feel alienated from the Davis government, and I'll briefly outline their respective feelings of alienation. Naturally, the CSAO people in Stormont are bitter about the intransigent policies of the government in respect to giving them their full collective bargaining rights. Their case is obviously a good one. Like civil servants all across Ontario, they want their legitimate grievances redressed. The teachers in Stormont have not forgotten it was the Davis government that introduced the infamous Bills 274 and 275. They feel that the Davis government has betrayed them and, conse-

quently, they feel totally alienated from their government.

The farmers of Stormont feel alienated because they know agriculture in Stormont is in deep trouble. A few statistics will illustrate this clearly. The number of farms in my riding from 1966 to 1974 was decreased by 34.6 per cent. The farm population has decreased by 45.8 per cent. The number of acres being used for farm land has decreased by 20.6 per cent. The land under crops has decreased by 25.8 per cent. The improved pasture has decreased by 19.5 per cent.

The family farm is in deep trouble in Stormont, and many of our beef and dairy farmers are on the verge of financial disaster. Our entire way of life is at stake. Full-time farming in Stormont has become the exception and not the rule. Most of our farmers now work in Cornwall and farm on the side. Full-time farmers are becoming fewer and fewer.

The beef farm loan programme announced by the minister last week in Ingleside, which is in Stormont, has been rejected by both the OFA and the NFU branches in the riding. I merely point to the headline in the Standard-Freeholder of Monday saying, "Federation Says Farm Loan Plan Not Acceptable." Both farm organizations in my riding have rejected the plan as inadequate.

The farmers of Stormont are tired of Band-Aid, half-hearted measures and empty pious pronouncements about the merits of the family farm. We have a way of life in eastern Ontario that we feel is worth preserving, and our farmers want real action to save them from bankruptcy and ruin before it is too late.

Mr. Speaker, the working people of Cornwall—and let me emphasize they are the backbone of our community—feel alienated because of the apparent total lack of concern by the government in helping the working man cope with inflation. Oil companies can rack up all-time record profits while the government stands idly by, turning the other way.

The people of Cornwall want prompter action by the Ontario housing authority in building senior citizens' homes. A recent headline in the Standard-Freeholder said, "Cornwall Housing Shortage Worst Since Seaway Days." Again, Mr. Speaker, why does Cornwall, why does eastern Ontario, always seem to get the short end of the stick?

The people of Cornwall wonder why they had to wait so long to get a second senior citizens' home. Everything necessary had been done by the municipal authorities, yet because of the bureaucrats and the red tape it took us an extra two years before we got it. It was amazing to the people of Cornwall that when the by-election was called, all of a sudden the stakes went into the ground, the steam shovels appeared and the construction crews appeared. It was amazing what the by-election did. With no by-election we would have had no action.

Why are the bureaucrats so insensitive, slow and negligent about the needs of the people of eastern Ontario?

The workers of Cornwall are unhappy with the way their counterparts in the building trades are being discriminated against. Quebec building workers can come into the riding without any real effective work permits and work on construction sites, undercutting local tradesmen and putting them out of work, while some of our people are physically escorted out of the Province of Quebec by police because they sought the same treatment in Quebec as Quebec workers have been getting in Ontario. This has been a long-festering problem in the Cornwall area, but again the same pattern recurs: government neglect, government inaction, with the result that earlier this year the Cornwall Labour Council, a group not known for being outspoken or aggressive, demanded in total exasperation that the Minister of Labour, Mr. Guindon, resign for his failure to take strong and effective action.

Mr. M. Cassidy (Ottawa Centre): And he did.

Mr. Samis: He did—and the people of Stormont put him out of politics for life.

Mr. Cassidy: It was a wise move.

Mr. Samis: Mr. Speaker, it is not my intention to go on ad infinitum expressing the grievances of the people of eastern Ontario and Stormont in particular, but I want to give the Legislature an idea of why so many people in Stormont feel alienated and short-changed by their provincial government. These people expressed their feelings loud and clear on Oct. 17 by voting 16,000 out of 23,000 against the government. Obviously, it's time for the government of Ontario to start listening to eastern Ontario.

Mr. Speaker, I was elected to voice the deep dissatisfaction of the electors of Stormont, but I was also elected to press for certain positive changes. I intend to balance off our criticism with some constructive proposals, so the people can feel more a part of Ontario.

First of all, we want to see far greater attention paid to the needs of eastern Ontario in terms of industrial and economic development, tourism, highway facilities and government planning especially, with Eastern Ontario Development Corp. We want a far more detailed, more coherent, more far-reaching development programme for eastern Ontario and a firm commitment from the government that it will work to decentralize —not centralize, but decentralize—its development plans and break out of the Toronto region cocoon that it has boxed itself into.

We want to see the government stop putting all the goodies in Toronto and Hamilton and its regions and start spreading them around the province more equitably to guarantee more opportunity for the people of eastern Ontario.

We want to play our full role and we'll contribute our fair share to the Province of Ontario. All we want is a chance, Mr. Speaker, to give our fair share.

Secondly, we want to see the government of Ontario get cracking on the St. Lawrence College. To us this is a vital matter, because the Premier made a promise during the campaign that he would lift the freeze, subject to certain conditions. This is not just an idle matter for the people of Cornwall; this is essential—because our city will be the home for a new industry called Combustion Engineering, which will employ almost 1,000 people within five years. The new Transport Training School will further add to the increased stabilization of the economy.

However, to accommodate these two new industries we must improve the academic and technical education of our work force. The addition of 140,000 sq ft will bring St. Lawrence College up to the minimum standards—nothing beyond. As I said: no special privileges; we just want our fair share to bring us up to the minimum standards of community colleges in Ontario and permit the housing of university students.

A special citizens' committee report on post-secondary education has recommended the establishment of an autonomous bilingual college education centre based on St. Lawrence campus, which would house the community college as well as a permanent liberal arts university college. This scheme would provide multi-education facilities for the counties and fill a major gap in the educational facilities for our young people. It would serve to help young people in Cornwall and prepare our young people for the changing needs of industry.

What I want to stress here, is that the expansion is crucial and immediate. It's not a luxury. It's not a political ploy or a gimmick. The city council of Cornwall has endorsed the revised plans, and we need a minimum of red tape and buckpassing and a maximum of action. This is not a luxury or a goodie. It's a necessity for the people of Stormont.

We also want to see our workers better served by the establishment of a Workmen's Compensation Board office right in Cornwall, in order to further reduce frequent delays and journeys to Toronto and Ottawa. An important branch of the government like this should be decentralized so that it can operate closer to the people.

I might also add that greater OHIP services for settling claims would certainly serve to bring the government closer to the people of Cornwall.

We also want to see greater and stricter supervision over the issuing of work permits to Quebec tradesmen working in Ontario, and far more forceful action in making sure that Ontario and Quebec tradesmen are treated alike instead of a double standard applying.

We want to see the government take far greater interest in the problems of the dairy farmers and the beef farmers of eastern Ontario and stop the stupid, inane policy of assisting multi-national corporations like Kraft, at the expense of our local producers and cheese factories.

Mr. Speaker, in 1970 a $500,000 forgivable loan was granted to Kraft. What was the result of that loan? Two major cheese factories in Stormont had to close down, and a third is on the verge of bankruptcy. We want the government of Ontario to help Canadians and help the people of Stormont, not the Americans.

Instead of knocking the small cheese factories out of business, the government should do everything in its power to preserve what's left of independent cheese factories. These factories, Mr. Speaker, support small communities like Newington and Bonville. Without these factories, they become virtual ghost towns.

Outright grants to our beef farmers, instead of a loan programme for farmers who want to sell their beef now, should be adopted immediately. The government should seriously consider the recommendations of the NFU and implement them as soon as possible.

Something has to be done beyond mere pious words.

Since this is Friday, Mr. Speaker, and I imagine some of the members here may be drifting in their attention a bit to other matters of the weekend, during the campaign we advocated openly, publicly and seriously that the government of Ontario change the system whereby beer is sold through Brewers' Retail stores. We say this in all seriousness, firstly, because it is designed to help small independent grocers. The city of Cornwall has an above-average number of independent retail outlets.

The people of Stormont, especially Cornwall, are accustomed to travelling into New York State and the Province of Quebec, and we have many tourists coming in from New York State and the Province of Quebec. They ask why, in a riding of approximately 35,000 people, there are only three Brewers' Retail stores. Obviously, it doesn't make sense. It doesn't satisfy the customer, it's not convenient and it's a relic from the antiquated, 18th or 19th century, Victorian, moralistic, puritanical hangups that still fester in our community.

What we advocate, Mr. Speaker, is that we have the exact same system as the Province of Quebec, whereby small independent outlets would be given the right to sell beer and cider and to offer delivery service to customers in the same way as other products are treated. I defy anyone to prove that there are any more alcoholics in the Province of Quebec, because of their system of retailing beer, than there are in the Province of Ontario. It's time to end the hypocrisy about liquor, to bring things out in the open and regulate them on a modern, intelligent basis.

The people of Stormont also want to have more action in the field of housing, Mr. Speaker. The government has announced that it will be getting into land banking on a greater scale. What we want to know is, how much of that will be done in eastern Ontario? How much of that will be done in the Toronto-centred region and the Niagara region? What is being done east of Kingston in terms of land banking?

The city of Cornwall probably has a higher proportion of tenants than other cities. These people want some form of protection. When tenants are faced with an increase of $30 or $40 a month, they're virtually helpless and at the mercy of landlords. What we want, Mr. Speaker, is some form of rent control to protect the tenants of Ontario.

The particular system that I advocated in the recent campaign was modelled on the Quebec Rental Board Commission because it offers justice to both sides. It gives the landlord the opportunity to increase his rent in line with inflation, but it guarantees protection for the tenant because those increases can be rolled back or controlled by the commission. The tenant has the right to appeal any increase, and the landlord must justify the increase before the commission. We feel this is a fair system. It takes into consideration inflation, yet at the same time it protects the rights of the tenants.

Then there are our senior citizens. We don't want another two years of red tape, stalling and bureaucracy before we get another senior citizens' home in Cornwall. We want our needs to be met, not in the future, but now.

All we're asking, Mr. Speaker, is a fair deal. We're not asking for special privileges or special treatment. The dissatisfaction that I spoke about in the riding of Stormont is not confined to Stormont. Having spent three days in the constituency of Carleton East, I have noticed that those people have the same basic grievance.

Mr. Cassidy: That's right.

Mr. Samis: They're not satisfied that the government is taking proper care of eastern Ontario. They're being taken for granted. They now have a candidate who virtually assumes that the election is not an election, but more a coronation.

Mr. Cassidy: And Pierre Benoit is in deep trouble.

Mr. Samis: Deep trouble indeed. Mr. Speaker, I think the results next Thursday will show that the same discontent that was evident in Stormont is equally evident in the riding of Carleton East.

Mr. Cassidy: That's right.

An hon. member: Who are you betting on?

Mr. Samis: I'll bet on the NDP candidate, any time.

In closing, Mr. Speaker, all we're saying in eastern Ontario is, give us a fair share—no special privileges, no special deals, just give us a fair deal. We want to be a part of Ontario. We want to have the same opportunities as the rest of Ontario. If this is truly to be the province of opportunity, let's see that those opportunities apply to eastern Ontario in exactly the same way as they apply to the people of Toronto. Thank you, Mr. Speaker.

Mr. Speaker: The hon. member for Grey South.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Mr. Speaker, I felt that the time had come when I should enter the debate in regard to the budget that was presented last April and make a few points as I see the situation at the present time.

I believe the budget, as it was presented by my colleague, has since that time found widespread favour across the province. The people of Ontario know that it is the right sort of budget for today. Even my friends opposite concede, however grudgingly, that it advances the policies needed for today. And the measure of their support is shown in the carping and nitpicking of the criticism that they have presented since that time.

I would like to review with you, sir, a few of the reasons why this budget is the correct sort of budget and is progressive in today's climate. First and most important—and it bears repeating—the central and guiding objective of the 1974 Ontario budget is to combat inflation. This budget strives to this objective with a set of integrated and co-ordinated policies which are now working advantageously. This budget is no exercise in shadow boxing. This budget will be judged correct by the toughest standards, by performance and by the support of the people of this great province. This budget is now well in place and is being deported very effectively.

The 1974 budget attacks inflation with measures which strike directly at the roots of the current inflationary condition that is indeed world-wide and we all know that. These measures acknowledge that no single tool is adequate. Every means within the constitutional jurisdiction of Ontario has been considered, weighed and applied as seen fit.

The anti-inflationary measures of this budget are operating to offset the effects of inflation, to restrain inflation, to stimulate supply, to share with the public the profits from inflation and to share with local governments the resources of the province so that they, too, will be able to face this inflationary onslaught.

These measures are developed within the framework of responsible fiscal policy. While budgetary spending will increase by 19.8 per cent in Ontario this year, this increase includes large new transfers to local governments and those sectors of our province.

At the same time, the cash outflows of the province are now estimated at some $847 million for 1974 and 1975. Yet Ontario's debt reduction programme is also continuing. In this fiscal year $449 million of the public debt will be retired, and this is in accordance with the Treasurer's statement, and is an actual fact.

Mr. R. F. Nixon (Leader of the Opposition): The other part of the statement is that we are borrowing $900 million extra.

Hon. Mr. Winkler: We are applying a broad range of appropriate anti-inflation measures and have adopted a fiscal policy which restrains the inflationary potential of the public sector. By this budgetary policy, the government of Ontario is doing everything in its power to combat inflation, but for fiscal policy to work in the context of Canadian confederation, all levels of government must co-operate to achieve our common goals.

For the last several years Ontario has done its share—more than its share—to shift the economy toward desirable fiscal goals, but the current imbalance is vividly illustrated by the federal government's recently reported surplus of $598 million for the first six months of this fiscal year. Because of the imbalance in revenue buoyancy among the three levels of government, Ontario and the other provinces are being asked to bear a disproportionate burden of the impact of inflation, while the federal government continues to expand the public service and increase its expenditures.

Let me direct your attention once again to the measures in the 1974 Ontario budget which take up this challenge.

Offsetting inflation: This budget offsets inflation's eroding force on the spending power of those Ontario families and individuals who are most hurt by inflation. These are the people who need help because their incomes are fixed; they are the people who need help because they are disadvantaged in their participation in ordinary life; they need help because they are elderly, handicapped or disabled; they need held because the work they perform is rewarded by little more than the minimum wage.

The budget helps these groups through GAINS for the elderly, blind and disabled, and this budget helps all low-income groups through the revised Ontario tax credit system, which is enriched by $70 million for 1974. This year the tax credit system will direct $180 million to those whose incomes are under $5,000 of which two-thirds is received by Ontario's pensioners.

Under the GAINS programme, a single person is now ensured an annual minimum income of $2,700 and a married couple of an annual minimum income of $5,400. Under this programme, no fewer than 120,000 pen-

sioners are receiving the maximum GAINS entitlement.

The annual value of all forms of support to Ontario pensioners, including the Ontario tax credits, free health premiums and free prescription drugs, is now about $3,120 annually for a single person and $6,107 for a married couple.

The new exemptions from retail sales taxes for a broad range of personal items and household products, as well as the new exemption on shoes of up to $30 in cost, are helping to rebuild the spending power of Ontario residents. These new measures make the exemptions from the retail sales tax more extensive than those granted by any other Canadian province employing sales taxes or by neighbouring states in the US jurisdiction.

As for restraining inflation, Mr. Speaker, the measures that have been introduced in the budget to restrain inflation, the land speculation tax and the land transfer tax, have had their desired impact. These taxes, along with higher mortgage rates, are moderating prices in the market for standing houses. Of course, there will be changes in both of these areas probably in the course of the next few months.

Mr. Cassidy: The government has paralyzed the housing market.

Hon. Mr. Winkler: House prices to September this year in Ontario have dropped substantially from the previous year. We are monitoring the situation carefully. Furthermore, as the amendments introduced to this House indicate, we are more than prepared to modify the legislation more precisely to focus its effect.

The transit fare freeze is both a measure to restrain inflation and a further indication of the government's intention to develop a variety of transportation facilities which will place priority on service to the people of the whole province.

I want to stress the direction of this province's transportation policy, now and for the future. I'm sure the members opposite will also join with me in presenting this view. We are committed to approaching the transportation problems of the province within a multi-modal framework. It is the total transportation system for which we are planning. Not only does this mean planning for the best mix of road, rail and air services along any corridor, it also means anticipating the pattern of development and of transportation grids.

I foresee the day when this province will provide improved recreation transportation to all areas of the province. Bus and rail service to the northern ski areas and the cottage country will ease the tiresome burden of long trips and reduce the peak periods of congestion on the highways.

We must develop a total transportation planning perspective to meet the widest possible needs for transportation and communications services.

Mr. Cassidy: But the government has had 31 years to do that.

Hon. Mr. Winkler: I haven't been here that long, unfortunately.

Mr. Cassidy: The government has had 31 years.

Hon. Mr. Winkler: Given the geography of this province, the potential of its now remote areas, and the rapid growth of our urban centres, it is the duty of a responsible government to fulfil these needs for developing the services of the future within the budgetary constraints of the province.

Mr. Cassidy: The government has sat idly by while the train service went to pot up in the minister's riding.

Hon. Mr. Winkler: I'm very well aware of that. I did a very comprehensive survey, not only of my own area, because I'm not that parochial, but of the whole of southwestern Ontario. We have presented this in all fairness to the federal government and to the transportation companies involved. We've endeavoured to seek their support. We did a couple of runs ourselves to prove that it could be done.

Now I see that the members of the House of Commons are also giving consideration to such a programme. I am well aware they are considering the points that we've brought forward. I've very hopeful that in the course of the next year we will see some development in that area.

When I was a federal member myself, I did everything in my power at that time to persuade. If you'll remember, steps were taken directly—and I won't become political about the thing—taken directly to eliminate rail service, not only in Ontario but in all the other provinces as well.

I believe, as a result of the present discussions, we may see develop a programme and a pattern again, because of the congestion that is taking place on our highways and because of the service that we grant to the

resort areas that will become much more important, I suppose, in the very near future. As a matter of fact, they are now.

Mr. Speaker, I would mention the stimulation of supply. In the present inflationary situation it is important to ensure that new and talented entrepreneurs receive a fair opportunity to make their contribution to the efficiency of the market and the expansion of supply. It is equally important that small businesses which are Canadian-controlled grow and establish themselves as substantial, creative enterprises.

This is the purpose of the Ontario small business tax credit. This incentive is related to increased capitalization to ensure that the tax savings are used to finance growth. The purpose of the new venture investment corporations, which we have invited the federal government to support, is to move private sources of venture capital into small enterprises.

Without greater assistance from the Ontario government, the supply of housing in Ontario would increasingly lag behind the growing demand of our young people, who were the baby boom of the immediate post-war years, to establish families and seek satisfactory accommodation. The sizable provincial contribution in water and sewage grants to restructured municipalities is doing much to increase the supply of serviced lots. These capital grants are being reinforced by the new and expanded programmes of the Ministry of Housing, particularly the Ontario housing action programme. Indeed, the multi-phased housing programme will increasingly ensure that the housing supplies exist when and where they are needed. At the same time, the funds are now available to assist an increasing number of low and moderate-income families with house financing.

The Ontario Land Corp., which has been elaborated on from time to time by the Treasurer (Mr. White), will bring about improvements in the co-ordination of government land planning activities, and facilitate the availability, development and resale or lease of land for industrial farming or residential purposes. I am satisfied, Mr. Speaker, that in the course of the next few weeks you will hear co-ordinating statements from the Treasurer and from the Minister of Housing (Mr Irvine) as well that. will be very productive in the next fiscal year.

The world-wide shortage of raw materials has contributed to the profits boom in our resources industries. The new mining tax and the increase in the timber dues are ensuring that the people of Ontario secure a fairer return from our natural resources, while at the same time there are incentives for further processing and new mining activities

Mr. Speaker, I think we are aware since the Edmonton conference of this government's pledge to the municipalities of Ontario of a greater share of the financial revenues of the province. I would elaborate on that point for a moment. The programme to share Ontario's revenues equitably with the local governments, launched in last year's budget, is enriched and extended. The commitment made in Edmonton last November at the second national tri-level conference was that the province will increase its transfers to local governments and agencies at the rate of growth of provincial revenue. Furthermore, the province will pass on to local governments any new gains in unconditional tax sharing with the federal government, now a greatly increased possibility in the months ahead. Finally, the province will give municipalities access to funds generated by the Ontario Municipal Employees Retirement System to permit better use of credit capacity.

This programme of revenue-sharing with local governments means that total direct transfers to local governments will be $2.4 billion, of which $124 million is in new grants and $115 million in increases to existing programmes. These transfers go far toward ensuring that our local governments will continue to provide the high level of services that our people in Ontario expect. This has been possible this year without the major increases in property taxes which would otherwise seem to be inevitable in these inflationary days. For the future, my colleague, the Treasurer, has told the municipalities they should talk to Mr. Turner (Peterborough), if in fact these are to be substantially increased.

In summary, Mr. Speaker, in this particular regard, this budget combats inflation with measures which have impact where inflationary pressures are most acute. It contains measures developed within a responsible fiscal framework. But we are not a government in isolation. If our programmes are to work to the level which you all reasonably expect, they demand the support of the federal government and the co-operation of our local governments.

Mr. Speaker, I therefore have no hesitation at all in the conclusion of this portion of my remarks in saying to the House that it is my profound duty to ask the members to give us their unqualified endorsation of the budget of last April.

Mr. Cassidy: The Treasurer will be relieved.

Hon. Mr. Winkler. I wish further, Mr. Speaker, to make some comment about our recent negotiations—not directly, because that would be unfair—but I should say about the period of time leading up to negotiations with the CSAO. I would think I should comment too about some of the misconceptions that have been floated about.

First of all, I am aware that there was some criticism of the government making its position clear in the statement that I released to the members of the CSAO. I am also aware of the criticism that took place in regard to the costs involved in distributing that document.

The difficult thing for me to rationalize is the fact that prior to that time the leaders of the CSAO, and their use of an advertising agency out of Montreal, saw fit to take $600,000 from their war chest, which is a considerable one of $2 million, and spend it for the type of advertising we saw in the newspapers, on the air and on billboards.

I must say that I have had also quite a number of communications from responsible members of the CSAO, saying that if they could, they would cancel their membership because they considered that to be a very improper method of attacking the government, any government, and attacking the leader of the government as well. But that has become popular in recent months, Mr. Speaker. The open attacks have taken place in the press by the same leaders of the CSAO and in other quarters as well. It has become a popular thing in our society today to tear apart, if that is possible, to every possible degree, government and its leadership—

Mr. Cassidy: Say they deserve it. If the government dealt with them fairly—

Hon. Mr. Winkler: Now, look, I've listened to the member many times; let him listen to me for a change.

Mr. Cassidy: The minister is wrong again.

Hon. Mr. Winkler: I want to say this to the people in the chamber today, Mr. Speaker: The government of Ontario is probably the most forward government that the country has ever seen.

Mr. Cassidy: Not in the field of labour relations. Not when it freezes the number of provincial civil servants.

Hon. Mr. Winkler: The government of the Province of Ontario, under the leadership of the member for Peel North, does not deserve that kind of attack. I stand here to criticize that particular group and any group or individual—

Mr. Cassidy: The government's collective bargaining Act is mediaeval and the minister knows it.

Hon. Mr. Winkler: —who will make a personal attack on a leader or a government whose people, I believe, enjoy a position of esteem in North America that no other jurisdiction enjoys today.

Mr. R. F. Nixon: In the universe!

Mr. Cassidy: Oh come on. Why doesn't the minister get away from the rhetoric and tell us what he is going to do with the Crown Employees Collective Bargaining Act?

Hon. Mr. Winkler: Well, if the member will sit patiently in his seat—I have listened to him and many of his extraneous speeches until I sometimes wonder what we are doing here.

Mr. Cassidy: I was pretty relevant this morning.

Hon. Mr. Winkler: He might better leave them outside some place on the lawn. Mr. Speaker, I'll get to that in a moment or two.

Mr. Cassidy: I decided to wait and listen.

Mr. Speaker: The member for Ottawa Centre should keep a little order and give the minister a chance to make his speech.

Mr. Cassidy: The minister is being very provocative, Mr. Speaker.

Hon. Mr. Winkler: Mr. Speaker, I would like to make some reference to the material that was distributed and signed, I think, by a Mr. Norman—I believe that is the case; I have it here somewhere, but it doesn't really matter, because it was certainly distributed publicly. A reference was made to my citing $181.95 as weekly earnings for all Ontario. I acquired that information and those statistics from the employment earnings and hours report published by Statistics Canada.

While it would be true that approximately 65 per cent of the 18,000 firms in the survey had fewer than 50 employees, it is also true that these small companies had very little effect on the survey results. Statistics Canada confirms that approximately 90 per cent of the input to that survey is received from large unionized employers of this province. It is, therefore, a very valid index against which

public service salaries can and should be measured.

The CSAO has attempted to discredit the $204-per-week average salary for public servants by indicating that the figure includes salaries of people in managament positions. Of course, the fact is ignored—or perhaps they are not aware—that the Statistics Canada figure also includes the salaries of senior executives of private corporations, which means that the comparison is a very valid one. In other words, in those companies that are used in the preparation of the statistics—shall we say a company such as General Motors—the management classes are included in that average as well.

It has also been said in criticism of my statement that the average salary of employees in the bargaining unit is $156 per week—but, in fact, the average is $186.40 per week. Then we have to compare this inaccurate approach—because, for the bargaining units, salaries to the industrial composite for Ontario includes salaries for senior corporation executives. The claim is that government employees are $26 a week below the Ontario average—and the fallacy of this particular claim is quite obvious.

By introducing a red herring—the salary progressions in average contract settlement—the leaders of the CSAO attempted to discredit my statement that average earnings in the public service increased 97.6 per cent in the period from 1966 to June, 1974. The 97.6 per cent cited by myself is based on actual audited payroll data, and is quite properly compared to the 84.1 per cent increase in average earnings for all wage and salary earners in the province—and is cited by Statistics Canada, as well. I think that is a very significant statistic to present to you today. Both figures are based on actual data and therefore reflect the total increases in salaries, regardless of how those increases came about.

In regard to the effect of inflation on salaries, I was criticized for not granting a cost of living allowance, presumably, on an ongoing escalator clause. What they refuse to acknowledge is that there is more than one way to recognize unusual changes in the cost of living—and they refuse to acknowledge that we have done something about it. The government agreed to open contracts and adjust second-year increases, in the same way as many other major employers did. It is acknowledged that the method adopted was not the one suggested by the CSAO, but the fact remains that the government did recognize the effect of inflation on purchasing power of its employees and took very positive steps to alleviate their problems.

It has been claimed that salary increases have not kept pace with the rise in the cost of living in the period of 1973-1975. That is the narrower view, the narrower corridor in this particular case, as opposed to the earlier statistics I quoted. They claim, of course, that we have not kept pace with the consumer price index of this year.

The only comparison in my statement of salaries to the consumer price index covered the period beginning from 1967 to mid-1974. That I admit. In that period, average public service salaries did increase, as I said, 97.6 per cent; while the consumer price index—and this is significant, Mr. Speaker—rose by only 47.7 per cent; and maybe I shouldn't say it that way. I should just quote the statistics and let them stand. These are accurate and they are based on all of the data available for consumer price indexing.

If we look at the narrower period, however—and this is what I made a reference to—in the 1973-1975 period, salary increases will average in excess of 20 per cent—I use 20 per cent, because it's a rounded figure—while the CPI rises slightly in excess—but again I've used a rounded figure—at 21 per cent. It must also be borne in mind, however, that salary increases are granted at the beginning of a contract year and the employee has the benefit of the full increase each month of the year, whereas the CPI usually rises something like one per cent per month or something less than that—and only in the last few months of the year does the cumulative change approach the level of the salary increase.

Now, I want to say a word about boards.

Mr. Cassidy: That is not the way it feels for the people involved.

Hon. Mr. Winkler: The member is not prepared to accept the facts; that's exactly what's wrong with the whole situation.

Mr. Speaker, I want to say something about the composition of boards, because it was stated in that statement that the union—no, the CSAO in this case—has only two members out of 29 members on various boards and tribunals, which are appointed by themselves. The fact is, of course, that all 29 are appointed by order in council and, therefore, must have government approval across the board. But that is not the point.

The government's objective is to appoint people to these boards who are neither pro-labour nor pro-management. The track record

of these boards and tribunals, when compared to similar boards in other jurisdictions, proved to us that objective had been and is being accomplished.

Mr. Cassidy: That is not the way it has been in private industry and private labour relations. They don't have a stacked board.

Hon. Mr. Winkler: Well there we go. Again the member is saying it is stacked and I don't agree with him. I don't share that view.

Mr. Cassidy: Almost all of those people are government appointees.

Hon. Mr. Winkler: I don't share that view. The government is still of the opinion that non-partisan boards are more appropriate than partisan boards in public sector collective bargaining.

Mr. Cassidy: The minister might ask his employees whether they agree or not.

Hon. Mr. Winkler: The CSAO is pressing extremely hard for partisan boards, and the government, as a matter of fact—and this will be shocking to you—is considering the request that is before it.

Mr. Cassidy: Well that is good.

Hon. Mr. Winkler: I will now come to the point my hon. friend is interested in, what the status quo is, as far as the government is concerned, in regard to the Crown Employees Collective Bargaining Act. The Management Board met with the officials of the CSAO for the purpose of hearing their arguments in support of their brief.

Later, senior officials from the minister's staff, my staff, met with officials of the CSAO and reviewed their brief and their supporting argument in detail. From these meetings the government has obtained a very clear understanding of the changes the CSAO is seeking.

Mr. Cassidy: Good.

Hon. Mr. Winkler: The proposals of the CSAO have been given top priority during the summer months and have been of concern to me in bringing about results which I trust will strengthen and shore up or whatever has to be done in this particular field. We looked at it, as I said, through the summer recess. But because the changes may be of such a substantial nature I don't believe that we will act very quickly in regard to what we present to the House.

Mr. Cassidy: That's regrettable.

Hon. Mr. Winkler: The president has been advised to this effect and has also been advised that another meeting with Management Board and officials will be arranged as soon possible.

I want to say this—and I think the member will agree—that before we move in regard to any amendments that take place we will bring those proposals to the attention of the CSAO for discussion, so that we are both acquainted with how we feel in regard to what position the government might take or what changes might be made.

Mr. Cassidy: That's fine, but if the minister delays some more he will provoke confrontation.

Hon. Mr. Winkler: I am not delaying, have no fear. I am doing it exactly as I see it is necessary to be done.

Mr. Cassidy: It is not being treated with the urgency that is required of the government.

Hon. Mr. Winkler: Maybe the member misunderstands. I don't think he has had the same experience in life as I have. I have gone through the union movement, I have been part of it, I have been part of negotiations on both sides of the fence; and if he thinks I don't know what I am talking about then he had better have a look at my background a little more closely than he has. I don't think he has been involved not in the same sense.

Mr. Cassidy: The government is not negotiating with the kind of faith it should.

Hon. Mr. Winkler: Mr. Speaker, the government's relations with its employees, I might tell you, are of concern to us. When the CSAO claims that the government refuses to conduct meaningful dialogue, I don't accept that statement. Anyone who has access to the facts is aware that the new leaders of the CSAO have decided on a course of confrontation regardless of what we do; and they did so long before they ever presented their brief to the government. This is exactly why I made the comments I did initially about the establishment of their war chest. It was done specifically for a purpose. We have to bear in mind that the civil servants of this province—and I say it once again, as I have many other times—are very, very high class people. We depend upon them. They are the people who in concert with any government, make the ma-

chinery work for the people of any province or any jurisdiction.

Mr. Cassidy: We agree. They are fine people and should be treated fairly.

Hon. Mr. Winkler: I am not going to stand idly by, if I have my way, and let anyone say that they are hard done by in the procedures that are currently before us.

Mr. Cassidy: The government brought in the Crown Employees Act two years ago.

Hon. Mr. Winkler: When the provocation started prior to the presentation of their brief, the members must remember how I felt at that particular time.

Mr. Cassidy: But the provocation started with that Act.

Hon. Mr. Winkler: I was very, very reluctant to send out the statement I did, but I knew the media wasn't going to do it for us. It had to be answered and the government's position had to be put forward, and I think I did it very realistically. I can say this, that the greatest response I got was from people in the service themselves.

There was, I must say, an organized campaign afterwards to discredit it, and a stereotyped letter signed by quite a number of different people. I am not too sure the same person didn't sign quite a bunch of them, but that doesn't really matter. I don't intend to continue any confrontation; I intend to try and ameliorate the situation; I intend to satisfy the people who carry out the administration of this province.

Interjection by an hon. member.

Mr. Speaker: The hon. minister has the floor.

Hon. Mr. Winkler: Mr. Speaker, I am coming quickly to the conclusion of my remarks, but I want to say that if meaningful dialogue with the people who are in the civil service of this province is going to be carried out, you want to believe that myself and my colleagues—the Davis government—are going to be a very, very important part of that dialogue and we will play our role responsibly.

Thank you very much, Mr. Speaker.

Mr. Speaker: The hon. member for Yorkview.

Mr. F. Young (Yorkview): Mr. Speaker, first, of all, I want to thank the hon. member for Kent (Mr. Spence) for relinquishing his time at this moment because of the fact that I will be absent from the House next Friday. I want to express my gratitude to him.

There is no question that, in spite of all that has been said as far as the budget is concerned, there are great gaps in that budget. This morning I want to deal with one of those gaps in some detail, the failure of this government to face up to one of the major escalating problems in our province.

I would like to point out, Mr. Speaker, that the sixth International Conference on Alcohol, Drugs and Traffic Safety met in Toronto last month. It brought together representatives from 30 nations, people from government, universities, research groups, police departments and organizations dealing in a variety of ways in this vital field. Those of us who attended got new insights into the magnitude and terrible urgency of the problem we are all facing in a world of dramatic change. Several things came clear through the maze of papers, speeches, charts, discussions and questions. Canadians, along with many people in the world, are drinking more, they are starting younger, they are driving more with high blood alcohol content and they are killing themselves off faster while in this condition.

The results are obvious. Alcoholism and alcohol-related diseases are sky-rocketing and appearing in progressively younger groups. Escalating social costs in death, medical and hospital bills, social services, family destruction and sheer heartbreak are incalculable. So far, remedies for the situation seem to be few and far between, at least those governments and society generally have so far been willing to try. During the conference, the Ontario interministerial committee on drinking and driving headed by Howard F. Morton released its report, the one I have here in my hand. The Provincial Secretary for Justice (Mr. Welch) highlighted its findings in his banquet speech.

Since then, various speakers and writers have been stressing the magnitude of the problem we face as well as the need for practical and speedy solutions to it. The fact is that in 1972, the latest year for which figures are now available, Canadians consumed an average of 9.91 litres of absolute alcohol per adult, but in Ontario we consumed 10.55 litres. That's 2.3 gallons per adult of absolute alcohol. It may be comforting to know that France consumes 16.7 litres, Mr. Speaker, and Italy 13.4 per adult. For years we have been told that socialist Sweden is soaked in alcohol, one of the sad results of their system of government we

are told. But Sweden drinks 5.7 litres per adult while Ontario downs 10.5, nearly twice as much. Sweden has 1,515 alcoholics per 100,000 while Canada has 2,272. Perhaps the propaganda line will have to be reversed.

A couple of trends need to be noted here. One, the total amount of alcoholic beverages sold is increasing dramatically. In 1967, Ontario consumed 125 million gallons. By 1973, this had risen to 167 million gallons. Second, the relative amount of hard liquor and wine is rising faster than beer. Beer consumption rose from 112 million gallons in 1967 to 146 million in 1973, an increase of about 30 per cent. During the same period, consumption of spirits rose from 8.5 million gallons to 12.5 up almost 50 per cent, and wine rose from four million gallons to 8.6 million, an increase of over 100 per cent. Beer retains its place as the most popular alcoholic beverage in Ontario, but what we tend to forget is that a bottle or can of beer has exactly the same alcoholic content as a shot of hard liquor and that about half of the alcoholics in the province are beer drinkers. The Addiction Research Foundation says that 50 per cent of alcoholics in treatment used beer as their beverage preference and were beer alcoholics.

But, more than this, 80 per cent of our adults now drink compared with 70 per cent 20 years ago. The average amount each one drinks has gone up by 30 per cent during that period. More people are drinking and they are drinking more. One obvious result is that we have about 400,000 alcoholics in Canada, about 150,000 of these in Ontario. Another half million Canadians are severely handicapped from alcohol-related problems.

One of the most serious factors in this whole trend followed the lowering of the age of majority to 18. Since mid-1971 the amount of alcohol consumed by this younger group has markedly increased and the results are showing up dramatically in the accident and fatality statistics on our streets and highways.

During the new raw industrial age in England a century and a half ago, many saloons posted signs which read "Drunk for a penny, dead drunk for tuppence, clean straw provided." That's a far cry from today's prices and today's lifestyle.

Mr. M. Gaunt (Huron-Bruce): Out in the barn with the livestock.

Mr. Young: Then the unsteady customer might weave his way to his home nearby or be taken there in a hackney with little harm done, except perhaps to himself or his family. But today a citizen who has built his blood alcohol level above the danger point may well slide behind the wheel of a car and head for home carrying with him extreme danger to himself and to others on the road.

In our society, the drinking of alcohol is both legal and acceptable, and I don't think any of us here this morning would advocate that it be prohibited. There is, of course, also the fact that driving a car is perfectly legal. Both these have minimum ages at which they can be indulged in. Trouble starts when these two perfectly legal activities are combined. Ontario has 3.5 million motor vehicles and almost four million licensed drivers. A car depends absolutely on the driver's brain and hand for its orderly movements. If that brain is muddled by any drug, then it is reflected in where the car goes and by what it does. How many people in Ontario drink and then drive? We have no way of knowing with any degree of accuracy.

During the spring of 1974, Canada did take part in an international roadside breathalyser survey. There were 244 sites in this province surveyed from 10 p.m. to 3 a.m., Wednesday to Sunday from April 17 to June 8. It was found then that 20.9 per cent of the drivers had up to 0.08 blood alcohol concentration and that 6.4 per cent had over 0.08. This was a voluntary survey and seven per cent refused to take the test It's likely that most of these who refused had a high blood alcohol content. If so, then over 30 per cent of the drivers tested had been drinking.

It is in the accident statistics that warning bells ring loud and clear. In 1973, police reports state that 27.5 per cent of all fatal accidents on our streets and highways were alcohol-related and that 51 per cent of all drivers killed had been drinking. Alcohol also played a part in 19 per cent of all the non-fatal injury collisions and in 12 per cent of all property damage collisions. Studies also indicate that 35 to 40 per cent of the drivers convicted of impaired driving may have a drinking problem. Authorities admit that these figures may be low, because police are inclined to give the driver the benefit of the doubt.

In any case, alcohol, plus the steering wheel, is a deadly combination. We all know that and realize it. The number of drinking drivers involved in collisions has increased steadily since 1970, with the greatest gain showing in the younger age group. As a matter of fact, it is in the 16 to 19 age bracket that the sharpest increase has occurred. This is tied right in with the lowering of the drinking age in 1971.

During the year after the change, total collisions among 18-year olds increased 42 per cent. But alcohol-related collisions for this age group—that's 18—increased 339 per cent. The number killed more than doubled. This is for Ontario. For the 19-year-olds, total collisions went up by 37 per cent. But alcohol-related collisions for this group increased by 346 per cent; and the rate has climbed steadily ever since.

Among the central group surveyed – 24-year-olds—total collision rates rose by 10 per cent, while alcohol-related collisions went up by 20 per cent. It wasn't such a new experience for them, and they were able, evidently, to handle it better. It was a far lower figure than for the younger group, but still far too high. It's interesting to note that while normal human damage collisions occur fairly regularly throughout the week, with a sharp drop over the week end, alcohol-related accidents occur largely in late evening and early morning on Fridays, Saturdays and Sundays, with the peak reached late on Saturday night.

The second half of the year is more lethal than the first half, both in general accidents and in alcohol-related ones—that's warm weather and holiday time. The sad part of all this is that the trends are steadily upward. More drinking, more alcohol-related accidents, more tragedy, particularly among young people—more alcoholism among young people, too, more family and social problems, more medical and hospital bills, higher insurance rates, and more profit for the LCBO.

A total of 5.4 per cent of our provincial revenues last year came from the sale of alcohol. This amounted to $327.6 million. Over against this, of course, must be placed the dollar cost—not only of the highway accidents, but of alcohol-related sickness and higher social costs.

David Archibald, executive director of the Addiction Research Foundation, says this:

> Our research has found that in terms of health and social costs, alcohol-related problems are responsible for more than 10 per cent of expenditures in general public hospitals; more than 15 per cent in mental hospitals, approximately 20 per cent of the expenditures under the Family Benefit Act; and 30 per cent of the expenditures for Children's Aid Societies.
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> In terms of absolute costs based on 1971 figures, the Ontario taxpayer paid $89 million through the Ontario Hospital Insurance Plan for illness related to alcoholism; he paid almost $17 million through the mental hospital system; almost $9 million through the Family Benefits Act; and over $11 million through Children's Aid Societies for activities attributable to alcoholism.
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> Of the more than $1 billion spent by the province in these various agencies, plus the Addiction Research Foundation, the taxpayer paid $134 million in one year for illness and disruption attributed directly to alcoholism. And I must emphasize that this figure does not include physician fees, municipal welfare payments, the cost to business and industry, the loss of productivity and manpower, and we know from our research in industry that these costs are enormous. Moreover, the $134 million does not reflect the fact that alcohol is involved in over 50 per cent of deaths due to traffic accidents in Canada.

So said David Archibald. Now, the Ontario report on drinking and driving highlights the time spent on this problem by police, judges, Crown attorneys, court-support staff and jail staff, and the cost of maintenance for those imprisoned.

"The dollar costs in 1974 of alcohol-involved collisions to the people of Ontario can be estimated at about $130 million."

Add this to the cost David Archibald talks about, and we can well wonder if the LCBO income matches the cost to the people of the province. It's bound to worsen as time goes on.

The sixth International Conference on Alcohol, Drugs and Traffic Safety defined the problem. The Ontario report dramatically presented the dangerous situation we're in, but cures are difficult to find. Or, if they can be found, they may be too drastic for the majority of our people to accept.

We live in a society where alcohol is not only accepted, but is extolled as the sure route to good fellowship, joyous living, real happiness and outstanding success Marc Lalonde recently called our attention to the of brainwashing our people are getting here, and suggested changes. Our own Minister of Consumer and Commercial Relations (Mr. Clement) got into the act and expressed his concern without giving very many answers.

Perhaps it's time we banned advertising of alcoholic beverages from all Canadian publications, as well as from radio and TV. This is being talked about a great deal today. I know this would present many difficulties. It could raise all sorts of vested interests' cries about freedom, jobs and profits. But perhaps we had better begin ask-

ing ourselves if the jobs and the profits are worth the death and mayhem, especially among our young people, brought into the hard-drinking group by these colourful and persuasive ads.

And while we're at it, we should be asking about the impact on our children of the more subtle forms of advertising, such as the brewery-sponsored sports events, movies of games and other topics carrying the company message and available free to community groups, vans to assist neighbourhood projects and other such friendly overtures.

All these have one ultimate purpose: to build up sales. And increasing sales bring increasing problems and more highway deaths. If the liquor interests were shut out from these forms of advertising, and if such services are necessary, then other companies might fill the gap or government itself might provide those same services.

But whether we're ready to ban such advertising or not, government should begin running professional, hard-hitting campaigns designed to discourage drinking and driving and to change public attitudes in this field.

Half measures will be useless, Mr. Speaker. All means of communication must be brought into play to drive home to the population the danger and the irresponsibility of the gasoline-alcohol mixture, to persuade the problem drinker to seek help and to impress on the social drinker that he should know his limits, and if he exceeds them then he should not drive under any circumstances.

It's interesting that when the British law was introduced, they had a rather extensive campaign stressing that motorists shouldn't drive after three drinks. It seemed to work for a time at least, and I'll have something more to say about that later on.

Above all, the schools should carry attractive, consistent and hard-hitting programmes about the dangers involved in the abuse of alcohol. The Saskatchewan committee set up some time ago to review this whole matter of liquor regulations says this:

> Such an educational programme should deal with the myths and mystique which have grown up around alcohol in our society. It would give the facts about the physical, medical and social benefits and costs of the use of alcohol in our society. The information given would be factual and be presented in such a way as to leave the decision in regard to the use of alcohol up to the individual. This is not to say that such education would be permissive. Drunkenness should be stigmatized as an inappropriate form of behaviour. Rather than being considered manly to consume large amounts, it would be shown as exhibiting a lack of control. Rather than considering drunken behaviour as humorous, it would be shown to be a questionably degrading and potentially dangerous condition.
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> Both abstinence and moderate consumption should be shown as viable alternatives. As early as elementary school, the chemical effects of alcohol should be explained to them. It should be made clear that the abuse of alcohol will result in harm or death.

This was in the Saskatchewan report.

The Addiction Research Foundation is working with Ontario boards of education in developing such material for schools and in training teachers to deliver the material. It is also co-operating with the Ministry of Transportation and Communications in designing, developing and evaluating their public education programme in drinking and driving. The Minister of Labour (Mr. MacBeth) assured us the other day that he hopes that far more attention will be given on the industrial side of this whole problem.

But far stronger provincial leadership is needed, and much more public funding is essential if real results are to accrue. I know that the cost of such an undertaking will be high. But the stakes are high. It's an investment in the future and, like any good investment, it will ultimately pay high social dividends and will also result in cutting the tax burden in welfare, social services and health care. Along with such an educational programme should go a stepped-up treatment plan for problem drinkers. Drinking too much is often a symptom of other deep-seated problems needing analysis and cure. Their drinking is very often just a symptom of something deeper.

Our Addiction Research Foundation is also working in this field and is now expanding its operation to other centres outside Toronto. But more resources must be allocated here and more people must be trained, not only to spot the problem drinker, but to give the necessary therapy. Legislation in some parts of the world provides that a judge sentences the offender to take a course of treatment rather than to jail, but unless we have the treatment facilities this course of action is futile.

The Liquor Licensing Board of Ontario has a responsibility to take a long hard look at the number and kind of outlets being

provided as well as the responsibility of the licence-holders for their patrons. Since the greatest casualty list from drinking and driving takes place in the early mornings late in the week, perhaps the hours of sale should also be scrutinized with a view to saving life and limb.

Then, too, many licensed premises are located where patrons must drive some distances to reach them and drive again to get home after the evening's festivities are over. Perhaps prominent notices should be posted in all licensed premises warning of the dangers—and the penalties—of high blood alcohol content and setting out where the limit of 0.08 might lie.

It may be that all licensed premises should have a breathalyser—and we hope that cheaper and more accurate breathalysers can be developed soon—so that customers could assess carefully whether they are in violation of the law if they do drive. I know all these things present difficulty but it's a problem that is difficult to solve and it's growing all the time.

Then there is price, and here we get into a rather touchy situation. The Saskatchewan report says, and I quote:

> World-wide studies indicate that there is a direct relationship between the relative price of a unit of absolute alcohol and overall per capita consumption. Despite a widely-held impression that liquor prices have risen drastically, the truth is that over the past 50 years the price of a unit of absolute alcohol has decreased steadily in relationship to disposable personal income. [Evidently inflation hasn't hit this phase of our society as much as others.] In other words, the relative price has dropped steadily, thereby steadily increasing alcohol's economic availability. The evidence clearly indicates that by controlling the relative price of a unit of absolute alcohol, the government has a powerful means of influencing general consumption and thereby the rate of alcoholism.

If the prices were increased the outcry, I know, would raise pretty serious political problems. However, all the evidence points to this as one method of control available to governments.

Just in this morning's paper the brewers announced that they are increasing the price of beer, and perhaps that is the beginning of this trend. Certainly our legislation in relation to drinking and driving needs careful study. Ontario law is fairly tough in this field, I know, but it may be that our standard of 0.08 blood alcohol content is just too high, particularly where conviction seldom comes at lower than 0.1. Impairment of ability to drive starts at about 0.04 and gets pretty bad at 0.08. Recent studies have been dramatically showing this fact. By 0.1, where conviction generally takes place, it's downright dangerous.

Some countries like Norway, Sweden, the State of Victoria and others have a 0.05 level, and in most eastern European countries it's an offence to drive after drinking any alcohol whatsoever—but they still drive, of course.

In West Germany, Sweden and Denmark, the police are empowered upon reasonable suspicion to obtain blood samples. In the United Kingdom, a driver who refuses to provide such a sample is automatically found guilty of having more than the legal blood alcohol content.

Some countries, too, have legislation enabling the police to set up roadblocks and give every driver a breathalyser test. In England, every hospitalized road accident victim must be blood tested. Small hand gadgets called "sniffers" are now available which police can use to see if a driver has been drinking. If positive results are shown, more accurate tests can then be made on a breathalyser. These and other similar ideas should be explored and our legislation tightened up to meet the needs while, at the same time, protecting vital human rights.

One of the great problems in the drinking-driving situation lies in the field of enforcement; here, everybody seems to be a bit baffled. Even if permitted by legislation, it would be a sheer impossibility to stop every car on the road at any given time for testing. The manpower problem would just be too great. On the other hand, most drinking drivers have little fear of being caught. Researchers say that there are about 2,000 violations in this field for every driver arrested and the average policeman makes only two arrests per year for this offence.

While surveys have shown that up to 30 per cent of drivers at certain times of the week have been drinking and that six per cent have more than 0.08 blood alcohol content, in 1973 only 1.19 per cent of the licensed drivers in Ontario were stopped and interviewed, and only 1.08 per cent were charged. Most impaired drivers are apprehended only after they've had an accident, but no impaired driver ever thinks he'll have an accident, right up to the time he kills himself or someone else. The sheer statistical weight of the evidence that he won't be

caught, short of collision, makes him keep right on driving.

The greatest deterrent for any antisocial activity is, of course, a sense of moral responsibility. I need not stress that fact. In this field, it's a deep-seated realization on the part of a citizen that excessive drinking, plus driving, carries just too much danger to himself, his family and his neighbours, and that he simply must not indulge in such an activity. It would be the function of a comprehensive educational campaign to foster that sense of responsibility in all members of society.

Of course, there are those who have not yet and, perhaps, never will reach this stage of responsibility. For them, the fear of detection and quick punishment seems to be the answer, but present rates of arrest, as well as long waits for court appearances, make this deterrent all but inoperative. New techniques must be worked out to increase the certainty of detection for these people and to bring the offender to court with some degree of speed and dispatch.

The Ontario report throws out a good many suggestions as to how this might be accomplished. More manpower is certainly needed for this particular phase of law enforcement. That manpower should be deployed in such a way that the offender is persuaded that it's dangerous for him to take a chance. Let me quote from the report:

> An increase in the perceived risk of being caught can be brought about by establishing a highly visible police presence at times and places where drinking-driving offences occur.
>
> One example of this type of activity would be the presence of police officers in marked cruisers in the vicinity of parking lots of drinking establishments between the hours of 8 p.m. and 2 a.m. Another example would be the presence of sustained police spot-checks at times and places of high occurrences of drinking-driving offences. Some of these periods of intensive checking could be highly publicized.

A constant level of enforcement of this kind, particularly in a large city would, of course, be impossible; but it could be carried on at specific locations for a time and then later reinforced by other visits at irregular intervals.

The British Road Safety Act of 1967 was followed by a sharp drop in offences. This was in large part due to the massive propaganda campaign which introduced it, as well as the stepped-up driver examinations carried on. As the publicity tapered off and as the fear of apprehension dropped, then the legislation became less effective and the offences curve started up again, but at a lower level than it would have been without the Act. Both the educational programme and the enforcement need constant reinforcement and repetition to be effective, and the British are now planning that.

Our courts must be somewhat reorganized and free of present logjams so that the offenders can be brought to speedy justice. It's no good to have three or four months between the offence and the court hearing. Moreover, the type of sentences handed out should be carefully studied to see if more effective deterrents might be designed, particularly if those deterrents could be thoroughly publicized so that people might know what to expect if they were caught in a drinking-driving situation.

It is interesting to note that punishment after the fact doesn't seem to act as much of a deterrent to a second offence. All research seems to indicate that removing a licence or imposing a jail term doesn't seem to have the deterrent effect that perhaps a course under Alcoholics Anonymous or a regular designed course of this kind might have.

> G. S. J. Wilde of Queen's University points out: It has been calculated that more than 95 per cent of all accidents in a two-year period would still happen if all the individuals who had three or more violations in the preceding two years were all removed from the road

This means that nearly all the offenders in any year are new ones. The big job is to prevent them from getting into trouble. That's the kind of preventive action that's needed.

The emphasis must be on prevention rather than punishment, on deterring new people from becoming offenders. That means a programme to build up more responsibility, coupled with a many pronged campaign to make them realize their offences do bring prompt retribution and that the results of such offences will be extremely unpleasant. This programme must be pushed.

One fact we have to face is that whatever action is taken in this field must include the total population. We needn't zero in on what we consider to be the alcoholics and hope that that's going to be enough. The problem is so deep-seated in our civilization that change can only come as people understand

the problem and are willing to accept the social and legal changes necessary to reverse present trends. No government could possibly institute the kind of social policies needed to reduce consumption, unless it had widespread public backing, and that means the educational programme. More than this, we know that the incidence of alcoholism and alcohol-related diseases as well as alcohol-related traffic problems bears a direct relationship to the total amount of alcohol consumed across the country.

Experts in the field point out that this means that there is no hope of reducing these problems without rolling back the overall consumption of alcohol through our total society. It's a mammoth job and it will demand greatly increased resources and manpower. But let's realize that we are going to pay the price anyway if we refuse to allocate the resources and don't plan to meet the challenge in a systematic and rational way. Then we'll see present expenditures increase steadily and dramatically in social services, insurance, welfare, health and related fields. We'll see the death rate in alcohol-related accidents continually increasing.

We ignore the present trend at our peril, Mr. Speaker. I urge this House to take a long look at the problem and to begin the long, tough road back to sanity.

Mr. Speaker: The hon. member for Kent.

Mr. J. P. Spence (Kent): Mr. Speaker, it's a pleasure for me to take part in this budget debate. I first wish to say that since the session was adjourned in June, a number of changes have taken place in this Legislature.

The hon. member for Waterloo South (Mr. Reuter), who was Speaker of this Legislature, resigned on account of ill health. I must say, Mr. Speaker, it was a shock to us to learn that he resigned on account of his health, but our hopes go out to him that he soon will be restored to good health and he will be back in this Legislature carrying out his duties, as other members are, in an able way.

Mr. Speaker, since the session adjourned, you have been appointed Speaker of this honourable assembly. I have known you for quite a number of years in this Legislature. You have proved to me that you are fair, you are reasonable. I know that you will make a great effort to carry out your duties as Speaker in a fair and impartial way. I know your duty is not an easy one, and I wish you well in your honourable position.

Mr. Speaker, since the session adjourned in June, we have had a by-election in the riding of Stormont. I must say that this party did everything we could to prevent the hon. member for Stormont (Mr. Samis), being elected as their member, but we failed in our duties in this party.

I wish to extend my congratulations to him as being the choice for the electors in the riding of Stormont as their representative in this Legislature.

Today, he presented his maiden speech. I also wish to congratulate him on it—it was a very good speech in outlining his views and his thoughts. I must say that as time goes by, he will look back on this maiden speech in this Legislature as an important moment, and no doubt he will re-read it. I feel that it won't be too long before he will feel at home in this Legislature, so my best wishes to him.

Now we have another by-election about to take place in the riding of Carleton East. We were somewhat disappointed to learn of the resignation of the hon. member for Carleton East, a man who held a number of important portfolios, among them Minister of Consumer and Commercial Relations and Minister of Health. I must say we regret to hear that he had made the decision to retire. because he contributed well to this Legislature.

Mr. Deans: He was actually forced out. The decision was made for him.

Mr. Spence: We hear those things, but we just can't definitely prove them. However, I must say that on next Thursday the by-election takes place and all three parties of this Legislature will be greatly interested in the results.

So. Mr. Speaker, today I want to say a few words in regard to inflation. It's quite obvious from this session's Throne Speech and the budget that this government is simply not prepared to make a real effort to deal with our greatest problem, that of inflation. Of course, we are always relieved to hear that the government intends to employ all practical means at its disposal to alleviate the causes and effects of inflation. But we woud find it much more reassuring if the government could be more specific as to what measures it plans to take, and more dynamic about putting their promises into action.

I could just as easily say that I would personally employ all practical means to alleviate the causes and effects of inflation, but I don't honestly think that this would be much comfort to the taxpayers of this province in their struggle to provide a good living

for themselves and their families. To say that the problem of inflation can only be dealt with at the national level with all governments co-operating is, of course, still another attempt on the part of this provincial government to place the blame for every ill on the shoulders of the federal government.

Ontario is the richest province in this country, yet this government has shown itself to be increasingly incapable of coping with inflationary expenditures. Since Mr. Davis became Premier, Ontario's spending has increased 18 per cent faster than revenues. The government has shown itself to be completely irresponsible in many areas, not the least in its attitude in spending the taxpayers' money.

Even with colossal loans from the German banks, the government has been unable to finance adequately the huge debt incurred to a large extent by the government's inefficiencies and, it would seem, a never-ending series of new government departments, sections, committees and boards of review, not to mention even the enormous staff in the Premier's office.

It is unfortunate, to say the least, that the government has so quickly forgotten the words of the former Treasurer, Charles MacNaughton, in his budget address of 1969, when he said that the low growth capacity of our revenues obliges us to finance essential increases in expenditures with successive increases in the tax rates and to continue widening of the tax base.

He warned that in the long run these measures, if taken without reference to a co-ordinated fiscal framework, risked overloading the tax system and making it economically and socially burdensome.

The present government has chosen to disregard his warnings. Tax levels are higher than ever before in the province's history, and the government continues to handle the taxpayers' money as irresponsibly as ever.

Another former Treasurer of Ontario, the hon. member for Chatham-Kent (Mr. McKeough), brought down a budget and told this House:

> Large-scale expenditure increases may appear to be appropriate in recessionary periods, but they can only work to impede economic revival. The expansion of the government sector can be distortionary if the economy moves back to full employment insofar as it pre-empts the economic resources that can be used more productively in the private sector and ultimately may result in tax increases. Each of these factors can generate inflationary pressures and precipitate a second wave of restrictive fiscal monetary pressures.

This government has grown faster than any other jurisdiction in the nation, led by a man who apparently chooses to disregard the advice and the warnings of his own provincial treasurers. It is perhaps possible to understand how the warnings of the former member for Huron could be forgotten because he has retired now from political life. But it is something of an insult to the hon. member for Chatham-Kent that so few of his colleagues have remembered his words of warning when he was Treasurer. Perhaps he should ask himself why his advice has been disregarded Perhaps he should ask himself if his advice given in his present portfolio is likely to be disregarded also.

Perhaps all cabinet ministers who have held other portfolios in the past should spare a moment of two from their present important endeavours to consider how much of their advice has been followed and how many of their warnings have been heeded.

Mr. Speaker, frequently members of this House are accused of being too partisan in their politics. If that were the case, I would be content to be silent and allow this government to go on its merry irresponsible financial way to political defeat in the next provincial election. But this I cannot do. I must add my voice to those crying out for some semblance of financial responsibility in government policies.

The Treasurer announced this year that the public debt was reduced last year by $225 million and that he is planning to reduce it by a further $499 million this year, although he anticipates a deficit of $625 million and a total shortfall of cash of $708 million. This kind of financial double-talk is a brazen attempt to confuse us, Mr. Speaker. The government has, in fact, been borrowing money to pay off the public debt and also borrowing money to cover over some of the deficits borrowing from the Ottawa Canada Pension Plan fund, the Ontario municipal employees' retirement fund, the teachers' superannuation fund. It is borrowing from Peter to pay Paul. In fact, they are mortgaging the future of this province because they are completely incapable of handling these financial problems today.

The time will eventually come when the province will have to pay back more than they can take out of the various funds, and there may very well be a financial crisis. This situation is serious and potentially dangerous. It is not acceptable to some members of this

House or the people of the Province of Ontario. The Provincial Auditor's report provided some further evidence of irresponsible spending. We would expect the Ministry of Treasury, Economics and Intergovernmental Affairs at least to have efficient bookkeepers on the staff. Yet we hear that one $70,079 advertising bill is actually paid twice over. A similar double payment was made by the Ministry of Health on a bill for $24,165. The recovery of both of these overpayments was only made when errors were picked up by our Provincial Auditor. Even the most conservative of governments has come a long way in recent years in the area of social and community services, but surely even the most dedicated of welfare state advocates would draw the line at overpaying benefit recipients to the tune of $81,400, as happened last year because of a mix-up in the Ministry of Community and Social Services.

It is true that the function of the Ministry of Government Services is to provide services to government ministries, but to provide a building at a price of $223,920, which is never fully occupied, does seem a little overenthusiastic on their part. I think, Mr. Speaker, we are all aware that Ontario has one of the most expensive Medicare systems in the whole of Canada. This is certainly not surprising when we learn that some $20.9 million was paid to some two million OHIP claimants without checking whether they were insured under the plan.

Many times we in the opposition have tried to persuade the government to award contracts only after open and public tender. Last year the Ministry of Natural Resources paid $59,578 to a consultant firm for public relations without such tenders having been sought and, in fact, without a formal agreement being entered into, with the arrangements being made for a further $24,000 to be paid without first obtaining cabinet approval. Then, again, there is the matter of the $10-million project for a fort in Thunder Bay being awarded without tender.

Then there is regional government, Mr. Speaker. A recent London Free Press headline said "Regional Rule Reported to Cost Extra $25 million." This is based on the government's own estimates of additional costs, excluding normal grants. This money is to overcome sharply rising costs and hopefully it will hold down property taxes. The Treasury officials are quoted as estimating that the provincial grants to large established regions – such as Toronto, Ottawa-Carleton, Niagara, York, Sudbury, Waterloo–last year amounted to $46.9 million, of which $13.6 million was extra money granted to support the regions.

It has also been estimated that Durham, Halton and Hamilton-Wentworth regions will receive some $10 million in extra financing. This government has had great difficulty in selling regional government to many people of Ontario. Many taxpayers in the areas in which regional government is in operation say they just cannot afford regional government. No wonder this government has changed the name from regional governments to restructured governments.

The London Free Press article also points out that if the 27 counties concerned took up the offer of the provincial Treasurer to form new structures, making them eligible for grants up to $50,000 each to pay for studies, this would cost the taxpayers of this province another $1.35 million. If this should happen, I would say to the Treasurer that he would have by the tail the most vicious tiger in the history of this Legislature.

According to a recent Toronto Globe and Mail article, "A quiet panic, a feeling that things may be getting out of control," has hit the Ontario cabinet. We are caught in a crisis of skyrocketing education and health costs, the increasing range of services demanded by modern urbanization, and then there is the 61 per cent wage increase demanded by our civil service. The Treasurer says there are only two alternatives: huge mill rate increases or a virtual collapse of local government, and there will be a large mill rate increase next year anyway, the Treasurer predicts.

Mr. Speaker, this is certainly a gloomy picture for the people of Ontario to face. There is no question that part of the explanation for the tremendous increases is inflation, but the provincial government must accept a good proportion of the blame. For example, they set the lead when they appointed the chairman of county school boards and chairmen of regional governments at $30,000 a year salary, away above the average for people in similar categories in the private sector.

Most people in Ontario do not wish their hard-earned tax money to be spent on great and glorious plans for regional government, Mr. Speaker, with modernistic and expensive buildings to house government agencies such as Hydro, with science-fiction advanced technology transit systems, with or without magnets. They are interested in the oldfashioned bread-and-butter issues, with providing the best possible lifestyle for their families today and in the future.

In this connection, Mr. Speaker, I would like to take this opportunity to express personally my wholehearted support for the proposal of my leader that a prices review committee of the Legislature be established which, together with a reduction in provincial deficit spending, would exert some control on inflation.

I understand the latest figures released by Statistics Canada indicate that the cities are suffering the highest rate of inflation, but higher food prices—a major factor in the rise in the cost of living—are being experienced throughout the province to approximately the same extent.

Surely this government must accept the necessity for a close and immediate investigation into the food prices, which rose by about 70 per cent in 1973 and are expected to rise even more this year.

Feed grain prices in Canada, Mr. Speaker, are at an all-time high level. A survey by the Pork Producers Marketing Board indicates that on June 15, 1974, a farmer was receiving $2.82 per bushel for his corn. On July 15, the figure was $3.02; on Aug. 15 it was $3.45; on Sept. 15 the price was $3.85. Last year on Sept. 15, 1973, the price per bushel of corn was $2.29.

Other feed costs have also been increased. Soya beans have gone from $6.14 per bushel on Sept. 15, 1973, to $7.12 in September, 1974; barley from $1.76 per bushel on Sept. 15, 1973, to $2.60 on Sept. 15, 1974.

I must say the farmers in Ontario are not responsible for the tremendous increases in the cost of living. It is true they are now receiving better prices for some of their products, but the cost of input for the farmers is increasing at alarming rates. Fertilizers and machinery have tripled in price, and the increase in the prices of gasoline, fuels and hydro will affect the farmers a great deal. Dairy farmers are going out of business because of more expensive labour and supplies.

I might say a few weeks ago we had hired a man with an excellent combine. He was talking to us, and he said he had bought it about two or three years ago and that he had paid $32,000. He said that the price for the same combine has risen to $44,000, so that when this one is worn out he just cannot afford to buy another one. So that is one illustration of the increased costs of machinery to those in the agricultural industry.

Mr. Speaker, many cow-calf operators are facing approaching financial disaster because of the low prices paid by feedlot operators. Very strong pressures are being felt because of soaring feed grain prices. The Canadian Cattlemen's Association expect increases in the cow kill this year and a cutback in the cow-calf operation because of the current grain situation. Holstein steers a few weeks ago were selling at 37 cents to the feedlot operators; heifers were bringing 30 and 35 cents. But over the last three or four weeks, the price has dropped considerably, Mr. Speaker, which is a real blow to those in the beef industry.

Our population is increasing, but our dairy cattle are decreasing in number, with an inevitable effect on the price of milk. We have even been warned of a possibility of milk rationing.

Hog farmers also are being forced out of business because of the increased feed costs. This will lead to a shortage of pork in the future, and therefore increased prices of pork to the consumers. The pork board has indicated that producers are weighing alternatives between feeding the grain or selling it and abandoning the hog business entirely.

Now, Mr. Speaker, I might say that in the pork business many producers are shipping their breeding livestock. The Ontario Pork Producers Marketing Board reports that for two months now the number of sows marketed have accounted for over four per cent of the total marketing. Normal sow slaughter this year has been 2.8 per cent and for the last year it was three per cent. Obviously, Mr. Speaker, Ontario farmers are not making a profit at the expense of the consumer. On the other hand, I understand the profits of food processing companies increased by more than 30 per cent in the last quarter of 1973, and by 59.6 per cent over the whole year.

Mr. Speaker, much has been said about problems being experienced in the urban areas. Obviously, something must be done about this situation. Time and again, I have asked that consideration be given to encouraging the relocation of small industries in the villages and towns of our rural areas. This would not only be of assistance to the villages and the towns in question but would help to relieve the enormous pressures on the city in connection with housing and transportation facilities. Many people living in the smaller communities have to travel in some cases 85 to 100 miles for employment, and the difficulty of trying to obtain suitable employment has led many people to move to the urban areas. This trend can to some extent be reversed by establishing small industries in locations which are easily accessible to people living in our towns and villages and by this means alleviating some of the degree of pressures on our city, while at

the same time preserving the smaller rural municipalities, enabling them to continue to be, or again become, thriving communities.

Mr. Speaker, I understand that a new community is planned at Cedar Springs in Kent county, which will use about 200 acres of surplus ground at the southwestern region, formerly known as Cedar Springs Hospital School. The hon. member for Chatham-Kent stated that the development would mean about 800 homes and that the hospital school has sewage and water services beyond its capacity, which would cost an estimated $1 million to provide to a new community in a different location.

This is, Mr. Speaker, good news for the area. I have never been against any development in that county or in the rural areas. But I was greatly disappointed that the minister did not include in this new site announcement that he would make available more funds to supply water and sewage systems for those villages, hamlets and rural areas which have no sewerage and insufficient water supply. Many of these municipalities are certainly in need of new water systems. Sewage and water services are needed by these municipalities which feel that they cannot afford the two services at a price they can afford to pay. If the minister would make such an announcement, I would say it would not only make the people around the new site happy but it would make the other villages and hamlets and the rural areas also happy too.

Mr. Speaker: Would this be a convenient place for the member to conclude his remarks for the present?

Mr. Spence: Yes, I have about 10 or 15 minutes left.

Mr. Speaker: Would you move the adjournment of the debate?

Mr. Spence moves the adjournment of the debate.

Motion agreed to.

Hon. Mr. Winkler: Mr. Speaker, today before I move the adjournment of the House, I will reiterate what we have placed on the business of the House for Monday and Tuesday: on Monday, Consumer and Commercial Relations; Tuesday, Health. Wednesday I have discussed with the other House leaders, and we have agreed that there will be no sitting on Wednesday. On Thursday we will move to Education and so on. We haven't yet determined what will occur one week from today, but we'll announce that well in advance.

Hon. Mr. Winkler moves the adjournment of the House.

Motion agreed to.

The House adjourned at 1 o'clock, p.m.

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No. 112



Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Ninth Legislature

Monday, November 4, 1974

Afternoon Session

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

THE QUEEN'S PRINTER
PARLIAMENT BUILDINGS, TORONTO
1974



Price per session, $10.00. Address, Clerk of the House, Parliament Bldgs., Toronto

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, NOVEMBER 4, 1974

The House met at 2 o'clock, p.m.

Prayers.

Hon. W. Newman (Minister of the Environment): Mr. Speaker, I would like to take this opportunity to introduce to the House 80 students from grade 10 at Henry St. High School in Whitby and their teacher, Mr. Efler. I would like to welcome them to the Legislature today to watch our deliberations.

Mr. Speaker: Statements by the ministry.

Oral questions.

ENFORCEMENT OF MORAL STANDARDS BY LIQUOR LICENCE BOARD

Mr. R. F. Nixon (Leader of the Opposition): I would like to ask the Minister of Consumer and Commercial Relations if, during his brief absence from the House, it has been brought to his attention that the chairman of the Liquor Licence Board has assumed even more of the powers of censorship which it is questionable belong to him under the statutes of the province? Is the minister prepared to make any statement as to the allocation of those powers? Has he discussed the matter with the chairman of the Liquor Licence Board? Does he believe it is proper for the chairman, through the inspectors, to threaten them with the loss of their licences if in fact they employ people not approved by the chairman?

Hon. J. T. Clement (Minister of Consumer and Commercial Affairs): Mr. Speaker, yes, it has been drawn to my attention that the leader of the Liberal Party indicated his tremendous interest in this area of activity.

Mr. P. D. Lawlor (Lakeshore): There have been more questions asked during the minister's presence.

Hon. Mr. Clement: I have not discussed it with the chairman of the board. I would like to make one or two things clear. The chairman does not direct; the board directs. It is a collective decision.

Secondly, the type of entertainment that has been the subject of some discussion in this House, I believe last Friday, applies only to dining lounges and not to lounges.

Mr. M. Shulman (High Park): But he won't give lounge licences.

Hon. Mr. Clement: The rationale is that the chairman of the board and the members of that board do not think it is in the best interests for the dining patrons of this province, particularly in the presence of minors, to be subjected to that type of entertainment. There is no mandate, or no requirement, insofar as lounges are concerned. They are strictly within the purview of the municipal police force. If the police force finds some form of entertainment offensive, it then has to decide whether it will prosecute under the provisions of the Criminal Code or not.

Mr. R. F. Nixon: Supplementary: Would the minister indicate as a matter of policy whether he approves of the chairman indicating his judgement through the inspectors this way, together with warnings that the licensee may lose the licence if there is not an indication of complying with the views of the chairman? Is he not further aware that the quotes that were in the public press at least indicated that these were judgements of the chairman and not of the board?

Hon. Mr. Clement: No, I wasn't aware of that. I tell the members of this House that it is the collective judgement of the board itself; it is not a matter of a mandate being issued by the chairman of the board. I don't find it in the public interest particularly to serve the interests of minors in this province, to have them entertained in that fashion, and for that reason I don't propose to discuss it further with him.

I must point out that there have been acts which have been particularly offensive in the past that have occurred and have been the subject of criminal prosecution, in some cases resulting in acquittals and in others, of course, in convictions. I think that the board, because of its licensing of premises, holds out to the public an implied warranty that there will be a certain quality of food and service within

those dining lounges or dining rooms, and that what goes on in there is not offensive to the travelling members of the public. If people want another form of entertainment, then they can go into a straight lounge and titillate their fancies or whatever they see fit to do.

Mr. Speaker: The member for High Park.

Mr. M. Shulman (High Park): Is the minister aware that the inspectors from his board went into these half-dozen establishments in Downsview and did exactly as the minister said, telling them, "You may not have these entertainments in dining lounges. However, you may have them in your lounges"? Is he aware that none of the establishments has a lounge and that they have all been refused lounges because the board will not issue them lounge licences? What kind of games is the minister playing with us?

Hon. A. Grossman (Provincial Secretary for Resources Development): The member for High Park doesn't even want them to drink in his riding.

Hon. Mr. Clement: It is not a matter of my not wanting to issue lounge licences. We have not issued lounge licences in this province since about 1952—

Mr. Shulman: So what is the use of telling them to go to a lounge then?

Mr. Speaker: Order, please.

Hon. Mr. Clement: —save and except in hotels and motels and this sort of establishment. We don't issue straight lounge licences. Is the member suggesting that we should issue straight lounge licences?

Mr. Shulman: Yes, the law should let them entertain where they will.

Hon. Mr. Clement: Is the member suggesting we should issue them in High Park?

Hon. Mr. Grossman: How about that?

Mr. Shulman: No, High Park has voted dry.

Hon. Mr. Clement: Oh, I see.

Hon. Mr. Grossman: All of a sudden the laws are intelligent, eh?

Mr. Speaker: The Leader of the Opposition.

INDIAN FISHING RIGHTS

Mr. R. F. Nixon: I would like to ask a question of the policy minister for Natural Resources. Is that close enough to his title?

Hon. Mr. Grossman: Resources Development.

Mr. R. F. Nixon: Resources Development. In the absence of a number of his colleagues in that policy field, is he aware of the judgement handed down by Provincial Judge C. E. Perkins on Aug. 30, 1974, in Chatham, which in a case known as Regina vs. Whiteye removed the aboriginal fishing rights that the Indians claim they have had since their treaties were signed with the white men in this part of the world? Is he aware of the continuing problem of the basic hunting and fishing rights with the Indians and with laws that come under the policy jurisdiction of this ministry? Is he going to take any action to assist the Indians with their appeal?

Hon. Mr. Grossman: Unfortunately, Mr. Speaker, my memory goes back only to Aug. 31. I will have to look that up and find out. In any case, I will direct the question to the appropriate minister.

Mr. Speaker: Any further questions?

BRUTALITY IN TRAINING SCHOOLS

Mr. R. F. Nixon: In the absence of the Minister of Correctional Services (Mr. Potter), I would like to ask the Attorney General if he is aware of charges made by an employee, now suspended, of the Correctional Services ministry, and probation officer, William Brewer, that there is organized brutality occurring in the training school system in this province and that for that reason he finds it impossible to recommend to the courts that the disposition of certain cases be that the young person concerned go into the training school system? Does this concern the Attorney General in his capacity as chief law officer? Is he considering whether or not charges in this case might be laid?

Hon. R. Welch (Provincial Secretary for Justice and Attorney General): Well, Mr. Speaker, I became familiar with this matter by the report that was in the morning paper; secondly, this minister would be concerned; and thirdly, I am sure that the Minister of Correctional Services will have something to say about this shortly.

Mr. S. Lewis (Scarborough West): Supplementary: Now that the charges are more explicit and more accusatory from Mr. Brewer, does the minister not think that he should take the wraps off the private interrogation,

not open to the public, which is going on in the Ministry of Correctional Services and allow an open and public hearing into the charges of this one-time probation officer?

Hon. Mr. Welch: Mr. Speaker, I would remind the hon. member of my answer to the question posed by the Leader of the Opposition. I am sure the Minister of Correctional Services will have something further to say in this matter.

Mr. Speaker: Any further questions? The member for Scarborough West may ask his questions.

REPORT OF SEIZURE OF LEVI STRAUSS RECORDS

Mr. Lewis: One question of the Attorney General: Has it been brought to the Attorney General's attention, and is it true, that the RCMP seized records a few weeks ago of Levi Strauss in Toronto? Has he, as the Attorney General and Provincial Secretary for Justice for Ontario, been informed that that did occur, and can he tell us what is happening, since there is so much Ontario money in that firm or in a subsidiary of that firm?

Hon. Mr. Welch: Mr. Speaker, I don't think this would be the appropriate time to provide any further information at this stage, but certainly when the investigation is completed anything that—

Mr. Lewis: Is there any investigation? Is that report accurate?

Hon. Mr. Welch: I think, under the circumstances, I would just like to leave my answer the way it is.

Mr. Lewis: Just a second now. By way of supplementary, I am not asking for an illumination of facts; I am asking if it is true that the RCMP seized files from Levi Strauss a number of weeks ago for the purposes of an investigation. Was that brought to the minister's attention?

Hon. Mr. Welch: Mr. Speaker, I have nothing further to add to what I have already said.

Mr. Speaker: Any further questions?

Mr. Shulman: Supplementary.

Mr. Speaker: It can't be very much of a supplementary. There was no answer.

Mr. Shulman: May I try? Supplementary: Would the minister care to comment on the fact that today another firm, Atlas Overall and Pant, announced that it was closing down because of the moneys the government gave to Levi Strauss?

Mr. Speaker: That's not exactly supplementary to the first question.

Mr. Shulman: Pretty close.

Hon. Mr. Welch: The answer would be "no," Mr. Speaker.

Mr. Speaker: Has the member for Scarborough West further questions?

Mr. Lewis: Yes, I have a question as well for the Provincial Secretary for Resources Development, given the absence of a number of colleagues in the secretariat.

Mr. R. F. Nixon: Why doesn't the minister get them in here?

Mr. W. Ferrier (Cochrane South): The minister is going to have to crack the whip.

Mr. I. Deans (Wentworth): Where is the whip?

FUTURE OF BLIND RIVER

Mr. Lewis: Does the minister think he might make an effort in the case of the community of Blind River, which parallels what his ministry clearly did in the case of the community of Armstrong, to mobilize all of the government's resources to see whether the economic life of that community can be sustained, given the precipitate and unexpected shutdown of Champlain Lumber Co., the last indigenous industry in the life of the Blind River residents?

Mr. B. Gilbertson (Algoma): We are looking after that.

Mr. Lewis: Sure. The government hasn't even met with them!

Hon. Mr. Grossman: We are certainly going to look into this.

Mr. F. Laughren (Nickel Belt): Going to? Why not already?

Mr. Lewis: May I ask whether the resource secretariat knows of any specific undertaking to keep the industry going, what the state of the receivership is and why no one officially from the provincial government has yet met with the town council, or the workers affected, since it is obviously catastrophic for the community?

Hon. Mr. Grossman: Mr. Speaker, the answer to that at the moment is "no."

Mr. Lewis: May I ask of the Minister of Revenue—since he is the man, I think, under whom the Assessment Act falls, which Act gives the residential property tax rebate grants based on the various assessment formulae, can the minister take a look at the anomaly created for the town of Blind River giving it a level of grant from this government disproportionately lower than any other community in a similar circumstance, because of the way in which the grants are based?

Hon. A. K. Meen (Minister of Revenue): Mr. Speaker, I wasn't aware of that alleged anomaly, but I'll certainly be happy to look into the matter.

Mr. Lewis: May I ask the Minister of Labour, if, under the Employment Standards Act, he has initiated an investigation into the status of the rights of the employees, given the shutdown of Champlain Lumber Co. in Blind River—the wage rights and severance pay rights—since the banks and the government of Ontario have a call on that money before the workers?

Hon. J. P. MacBeth (Minister of Labour): Mr. Speaker, I don't know that we have, but I'll certainly make inquiries. I hope that it's in the process and that my people are at work on it, but I don't know the answer specifically.

Mr. Lewis: Might the minister, by way of policy, consider whether or not any of the $700,000 of loans which the government has made to this company in the past three or four years, which now is shut down, might perhaps not be reclaimed out of whatever assets there are in order that the workers be paid the appropriate severance payments?

Hon. Mr. MacBeth: I'll include that in my inquiry, Mr. Speaker.

DOMINION WIRE CLOSING

Mr. Lewis: Thank you. May I ask the Minister of Labour: Has he yet ascertained the state of his ministry's intervention in the Dominion Wire closing in Tillsonburg?

Hon. Mr. MacBeth: I know that we are working on it. Again, Mr. Speaker, it is one of those difficult positions where they are concerned with competition. There are various suggestions of their ability to carry on. We are doing our best to get the parties together.

STUDY OF VINYL CHLORIDE

Mr. Lewis: I want to ask of the Minister of the Environment: Is he aware that at an international conference in Europe, several medical scientists, as well as the workers representing various labour organizations, have asked that the only safe level for vinyl chloride emissions at all is no level, and that that is now in the process of implementation in the United States and European jurisdictions, while in Ontario it is still 200 parts per million? Before there is another tragedy akin to that of Elliot Lake, might he move on the situation of vinyl chloride emissions?

Hon. W. Newman: As I said the other day in the House, Mr. Speaker, in answer to this question, we have a complete compilation of all the plants that handle polyvinyl chlorides. There are different grades of polyvinyl chlorides, and at this particular point in time we are working on acceptable levels.

Mr. E. R. Good (Waterloo North): Supplementary, Mr. Speaker: That is exactly the same answer the minister gave in June, and through his estimates. What we want to know and what the public wants to know is: Is he intending to lower the acceptable limits, at least to the level that the emergency lowering of the levels in the States accomplished last April? For almost a year now he has been hedging—

Mr. Speaker: Order please. The member will have to pose the question.

Mr. Lewis: The minister knows what it is.

Hon. W. Newman: Mr. Speaker, I was asked a question about it last June, and we have spent the summer getting a report, as I said; that's what I said in the estimates just the other day—

Mr. Lewis: It's just like lung cancer in Elliot Lake—he sits and watches and workers risk their lives. He does nothing. He does absolutely nothing.

Hon. W. Newman: Nonsense.

Mr. Speaker: Order please.

Hon. W. Newman: The member knows very well. He shouldn't start getting himself recorded in Hansard making wild remarks. Let's make sure he knows what he is talking about.

Mr. Lewis: It is not difficult to get aggravated about it. He has seen the evidence now.

Mr. Speaker: Order please. Any further questions? The member for Downsview.

GOVERNMENT ACTION AGAINST DOW CHEMICAL

Mr. V. M. Singer (Downsview): Mr. Speaker, I have a question of the Attorney General. I wonder if the Attorney General could, at this time in November, give us an up-to-date report on the progress of the Dow action?

The last report was given in April and at that time some $83,000 had been spent on outside counsel and a great battle was going on as to whether or not particulars were going to be given so that the defendants could plead? Can the Attorney General bring us up to date?

Mr. J. E. Stokes (Thunder Bay): That was before the courts at the end of August.

Mr. Lewis: This is probably sub judice, I would think.

Hon. Mr. Welch: Mr. Speaker, the hon. member for Downsview raises a very important question.

Mr. T. P. Reid (Rainy River): That is why he keeps raising it.

Hon. Mr. Welch: I would want to indicate that the matter which is before the courts is proceeding according to the rules of practice of the courts. I am meeting with our counsel in about a week's time to be brought completely up to date with respect to any further steps that must be taken.

Mr. Singer: By way of supplementary: Has any further progress been made since a report was given by one of the Attorney General's staff last April, some 6½ months ago? Has anything more been achieved since that date in April?

Mr. R. F. Nixon: A little more money used up.

Hon. Mr. Welch: I am quite satisfied that once I have finished my meeting with the counsel for the Crown in this particular case, I could give the members complete details.

Mr. Singer: Oh, thank you.

Mr. Speaker: The member for High Park.

Mr. J. A. Renwick (Riverdale): Supplementary.

Mr. Speaker: All right, one supplementary.

Mr. Renwick: Is there any chance the Attorney General is considering dropping the prosecution?

Hon. Mr. Welch: No, Mr. Speaker.

Mr. R. F. Nixon: Oh, God forbid.

Mr. Singer: It doesn't matter how much it costs; it will go ahead.

Mr. R. F. Nixon: Polluters must pay.

Mr. Lewis: And Lake St. Clair fishermen are out of work—

Mr. Speaker: The member for High Park.

SHARE OFFER BY CORNAT INDUSTRIES

Mr. Shulman: I have a question of the Minister of Consumer and Commercial Relations, Mr. Speaker, in three parts.

Hon. Mr. Clement: Okay, but go slowly.

Mr. Shulman: Yes, very slowly. No. 1: Will the minister investigate the offer made for shares of Cornat Industries, which were kept open only for 24 hours, so that many shareholders were unaware of the offer?

No. 2: Inasmuch as Wood Gundy handled this offer for Cornat, will the minister investigate whether the customers of Wood Gundy were notified while other shareholders were not?

Finally, inasmuch as Bob Morgan, director of Wood Gundy, is also the president of the Toronto Stock Exchange, should the minister not expect that customers of all firms would have been given an equal opportunity on this generous offer?

Hon. Mr. Clement: Question No. 1, yes. Question No. 2, yes. And question No. 3, I will look into that. I don't know what the terms of the offer were. I am not familiar with it but I will look into it.

Mr. Speaker: The hon. Minister of the Environment has an answer to a question which was posed on Friday.

MERCURY LEVELS IN LAKE ST. CLAIR

Hon. W. Newman: Yes, Mr. Speaker, in response to a question from the member for Elgin (Mr. McNeil) on mercury levels of fish in the St. Clair system, we would like to provide the following information.

As the hon. members are aware, the harmful effects of mercury contamination came to light in 1970. This was a world-wide discovery and as a result there was a great deal of work done to find out the nature and source of the problem. In Ontario we initiated extensive monitoring and sampling programmes in conjunction with the federal government to ensure that no citizen of the province would suffer ill effects of mercury contamination so evident in other parts of the world.

We established a task force to investigate the entire situation and make recommendations covering all aspects of the problem in all areas of the province. In March, 1970, ministerial control orders were placed on every industry in the province known to be using mercury in their processes. Our control programmes indicate that these control orders have been complied with and that mercury emissions from these industries have ceased. No new mercury discharges from these sources are evident.

In the St. Clair River system we have an indication of the effects of our control programme. We are very encouraged by the comparison of the 1970 mercury levels with the 1973 levels, which provide us with evidence of improvement. For example, in 1970, the average for a three-year-old walleye was two parts per million mercury. In 1973, a three-year-old walleye contained 0.97 parts per million mercury. In larger fish, the same trend was found. A six-year-old walleye in 1970 had an average of four parts per million mercury. By 1973 this had dropped to 1.8 parts per million. Twelve species of fish have been examined in our programme and all indicated similar improvement.

There has been a significant decline in mercury levels observed over the past four years. Our 1974 sampling programme, which was concluded in October, we believe will confirm this trend.

Mr. Speaker: The member for Rainy River.

COAL SUPPLIES FOR ONTARIO HYDRO

Mr. Reid: Mr. Speaker, I have a question of the Minister of Energy. Does the minister have any contingency plans in regard to coal for Ontario Hydro in case the United Mine Workers go on strike in the United States, or is such a plan necessary?

Hon. W. D. McKeough (Minister of Energy): Mr. Speaker, we reviewed our situation as recently as Friday. The position of Ontario Hydro, I think, is that they have adequate supplies of coal here and being moved on the dock in Conneaut under their ownership, to see us through a normal winter.

Mr. Reid: May I ask, by way of supplementary, in view of the fact that coal seems to be becoming in short supply, particularly in the United States, and there's some talk of possible embargoes against Canada and Japan, what are the minister's plans in case something like that happens?

Hon. Mr. McKeough: Well, as long as a year and a half ago we convened a meeting in Energy of the steel companies and Ontario Hydro, who are practically the only users realistically of coal today in Ontario, and the Ministry of Transportation and Communications. The Ministry of Transportation and Communications subsequently hired very eminent consultants in terms of freight rates, and they have been working to try to get the cost data from the Canadian railways with or without the support of the Canadian Transport Commission.

Hopefully, it will not be necessary, although it would appear that we are going down that route, to secure an order from the CTC, as I understand it, to get the cost-related information. The cost of western Canadian coal, although it is a lesser cost at the mine mouth as compared to American coal because of the distances and because of the freight rates, whether they're justified or not—

Mr. Reid: Mostly not.

Hon. Mr. McKeough: —the cost of Canadian coal has run about 50 per cent higher than the cost of coal from either West Virginia or Pennsylvania, most of which is under rather long-term contracts, and we don't anticipate that there would be any trouble.

The longer solution then is one of freight rates, and perhaps ultimately, either a coal-oil or, it would appear now, coal-water slurry pipeline from western Canada to here, which is actively being promoted by a group called Shelpac. Our interest in that matter—through Hydro, through Energy and through the steel companies—is a very real one. We're following it with a great deal of interest and, if necessary, money.

I am encouraged within the last few months with the progress which it seems is being made between Ontario Hydro and certain western Canada producers of coal, in terms of getting close to some long-term contracts for perhaps up to four or five million tons of

western Canadian coal for Ontario Hydro, which will be a very large foot in the door. We don't want to turn our back in any way on our traditional American suppliers. Their coal has certain qualities which the Canadian coal doesn't have, and vice versa. Until the costs are settled, in terms of transportation particularly, we would be very loath to put all our eggs in a western Canadian basket, particularly with some of the problems which we seem to have in terms of some of our other eggs being in that basket.

Mr. Speaker: The hon. member for Nickel Belt.

CSAO NEGOTIATIONS

Mr. Laughren: Mr. Speaker, I have a question of the Chairman of Management Board, if he's willing to make his way back to his seat. Thank you, Mr. Speaker.

In view of the minister's claims that he and his government are committed to the collective bargaining process for the civil servants in Ontario, how does the Chairman of the Management Board justify the sending out of a document to all civil servants in the Province of Ontario which has clearly been designed to subvert that same collective bargaining process?

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Mr. Speaker, we must have this clear. Is this the government position paper that I sent out maybe a couple of weeks ago?

Mr. Laughren: That's right.

Hon. Mr. Winkler: Well, Mr. Speaker, I think that the question goes away beyond the actual information that the hon. member has made reference to. That paper was simply to put the government's immediate position clear, and that's what I did.

Mr. Laughren: A supplementary, Mr. Speaker: Does the Chairman of the Management Board not agree that the place to discuss the government's position is at the bargaining table, and that this document is being regarded by the CSAO as a clear attempt to divide and conquer the membership of the CSAO?

Hon. Mr. McKeough: It's not full-page ads in every paper.

Hon. Mr. Winkler: Mr. Speaker, the hon. member must be naive if he hasn't followed what's gone on in the media for quite some weeks.

Mr. J. R. Smith (Hamilton Mountain): Listen to the radio!

Mr. Speaker: The hon. Attorney General has an answer to a question which was posed earlier.

OMB HEARINGS ON MATTICE

Hon. Mr. Welch: Mr. Speaker, on Oct. 30 last the hon. member for Kitchener (Mr. Breithaupt) directed a question to my colleague, the Minister of Housing (Mr. Irvine), with respect to a hearing before the Ontario Municipal Board.

The hearing to which he refers deals with the union of townships and the application to the Ontario Municipal Board was made by the Citizens Committee for the Union of Mattice. The hearing had been scheduled for 12 noon, Oct. 29, 1974, at the Mattice Community Centre, and Messrs. Thompson and Kelly appeared for the board.

At that time, I'm advised, the solicitors for TransCanada Pipe Lines requested an adjournment because they had not been notified by the applicant in sufficient time to prepare for the hearing. The board, at the request of the solicitors for TransCanada Pipe Lines, adjourned the matter sine die, and a new hearing date will be set following re-application by the committee to the Ontario Municipal Board.

Mr. Speaker: The hon. member for Huron.

BROILER PRICES

Mr. J. Riddell (Huron): Thank you, Mr. Speaker. A question of the Minister of Agriculture and Food: In view of recent price reductions imposed on the chicken producers of Ontario, is the minister aware that a large number of chick orders to hatcheries have been cancelled? I believe the figure is somewhere in the neighbourhood of 400,000 chicks. Does the minister realize the chaos this government will be creating if it continues to compel the Ontario chicken producers' marketing board to lower its price in order to compete with the Quebec market? I hope we don't have any more of that chicken warmonger stuff.

Mr. R. F. Nixon: That'll turn him on.

Hon. W. A. Stewart (Minister of Agriculture and Food): Mr. Speaker, —

Mr. R. F. Nixon: The chief chicken.

Hon. Mr. Stewart: —as my hon. friend is fully aware, he was advised last Friday in the House that the chicken producers' marketing board had the right to establish the price of chicken at whatever level they determine it should be; as of last Thursday they have that right. There was only one action taken in which there was one cent deducted from the price. There was only one instance that had come to our mind of a chick order having been cancelled and the producer apparently reconsidered and re-established his order with that flock. I am not aware of these other 400,000 that my hon. friend mentioned.

Mr. M. Gaunt (Huron Bruce): Supplementary Mr. Speaker?

Mr. Speaker: One supplementary.

Mr. Gaunt: Has there been any action by the minister with respect to taking the initiative with Ottawa to see if a national marketing plan can't be instituted very soon to get away from over-production in one province coming in and upsetting the market in another?

Hon. Mr. Stewart: No, Mr. Speaker, there hasn't been, but there has been action taken with the Quebec government and with the Quebec chicken marketing board. The Ontario board is meeting with the Quebec board today in an effort to try to resolve the matter of price differentiation and the matter of storage stocks.

Actually, I think that the Ontario chicken board has done an excellent job in gearing its production to the known market requirements, taking into consideration the amount of chicken that comes into Ontario from Quebec and from Manitoba into Quebec. That's a standard practice that has been going on for years, and they, I think, have done an excellent job. There are about five million pounds of chicken, give or take a million pounds either way, in the market pipeline, and I don't see how, in producing about 206 million pounds of chicken in Ontario, that you get any closer than that to a target objective over a period of a year.

In Quebec there seems to be a bit more. The Quebec board feel that they should have about two weeks' supply, which is about eight million pounds of chicken, and they have something like 12 to 13 million pounds in the market pipeline there, a good deal of it in storage. That is, of course a problem, not only to the marketing of chicken in Quebec, but throughout the rest of Canada.

Some effective action has to be taken to reduce that to what the weekly market requirement should be and that is what the purpose of the discussion is all about today.

Frankly, I think it is quite wrong that there is this differentiation amounting to more than a cent a pound at times between Quebec and Ontario. I think both producer boards are losing money, and we would like to see that corrected; we would like to see it on a more even keel. But quite frankly, Mr. Speaker, I believe both boards have acted as responsibly as one could expect, bearing in mind the number of pounds of broiler chicken produced annually in both provinces.

These little matters I hope will be worked out and certainly there is no problem whatever as far as any chicken price war is concerned.

Mr. Speaker: The member for Sandwich-Riverside.

HEAT PUMP USAGE

Mr. F. A. Burr (Sandwich-Riverside): Mr. Speaker, a question of the Minister of Energy: In the interest of energy conservation, what is the minister doing to promote the use of heat pumps in new housing throughout the province?

Hon. Mr. McKeough: Mr. Speaker, I understand Ontario Hydro has a very active programme in this regard. I am afraid I can't say very much more than that. I will be glad to get the information and pass it to the member.

Mr. Speaker: The member for Waterloo North.

SALES TAX ON STAMPS

Mr. Good: Thank you, Mr. Speaker; a question of the Minister of Revenue: Could the minister detail the government policy as it relates to sales tax on first-day-issue stamps from post offices in the province?

Hon. Mr. Meen: I don't have that, Mr. Speaker. I will get it for the hon. member.

Mr. Good: Mr. Speaker, while the minister is getting it I hope he has better luck than me. I have been trying to find out for months from his office what the government's policy is.

Mr. Speaker: The member for Wentworth.

HOME SALES

Mr. Deans: Thank you, Mr. Speaker. I have a question of the Minister of Consumer and Commercial Relations. I asked the minister in May of this year whether he would investigate the actions of certain real estate companies with regard to the resale of Home Ownership property. He indicated that he would look into it and I have received no answer since that date.

Is there, in fact, anything illegal happening when a real estate agent sells a home, or attempts to sell a home, and lists it for more than the value approved by the Ontario Housing Corp. under the HOME programme? And further, is it illegal for an agent to arrange for a payment to be made after the deal has closed?

Hon. Mr. Clement: Mr. Speaker, I recall the question put to me by the member for Wentworth. I do have the information on my desk; I am sorry I didn't get that back to him, I completely overlooked it.

It is not unlawful or contrary to the Real Estate and Business Brokers Act, per se, as I understand it, for a realtor to become involved in this type of activity. It may well be unlawful under the Home Ownership legislation.

I can't put the question for the member, but I surmise he is wondering if it is unlawful or illegal under any statute. All I'm saying is under our real estate and business brokers legislation, as I understand it, it is not unlawful. I will get the information to the member within 24 hours. I'm sorry, I completely overlooked it.

Mr. Deans: Just one supplementary question: Is it unlawful for a real estate agent, licensed under the Real Estate and Business Brokers Act, to break another law for the purpose of finalizing the transaction?

Hon. Mr. Clement: I would think to break any law is unlawful. I don't know, but I surmise—

Interjections by hon. members.

Mr. Deans: Well, isn't that the answer?

Hon. Mr. Clement: That's the kind of opinion, which if the member got it up in Downsview, might cost him a lot of money.

Interjections by hon. members.

Mr. Lewis: That's almost as good as the Minister of Energy's observations.

Mr. M. Cassidy (Ottawa Centre): Almost as good.

Mr. Lewis: It is almost as good as the minister's observation that inflation has something to do with it.

Mr. Speaker: The Minister of Government Services has the answer to a question.

RECLASSIFICATION OF MAINTENANCE MECHANICS

Hon. J. W. Snow (Minister of Government Services): Thank you, Mr. Speaker. Last week the hon. member for Scarborough West asked me a question relating to certain maintenance mechanics employed by my ministry. I have the information now and I would like to answer the question.

In December, 1973, an audit of the positions in the repair-improvement section was conducted following major reorganization of the property management branch. This indicated that the position of maintenance mechanic 2 was apparently incorrectly classified and should, in fact, have been at the 1 level. There were seven incumbents in this position.

Property management branch was advised of the audit findings, and after discussions with personnel branch it was decided to have the position classified at the 1 level. At this stage, a meeting was held with the employees, the CSAO and management at which the decision to classify at the 1 level was discussed. This meeting took place in January, 1974. Although, in fact, the position had officially been reclassified at that time, no action to implement it as far as the seven incumbents were concerned had been taken, although in January one person had been hired at the 1 level.

As a result of the representations made at the meeting and a further detailed study of the matter, a second audit was agreed upon. This took place in June, 1974, following further discussions between personnel and property management and examination of similar positions elsewhere in that branch. The audit revealed two distinct levels of work, as a result of which personnel recommended that the positions be split between levels 1 and 2, and property management agreed that this be done. The positions were, therefore, written up and classified, three at the number 2 level and five at the number 1 level. Four incumbents were red-circled and one incumbent, as mentioned above, was already hired at the number 1 level.

Prior to implementation, which had the final approval of the branch director, the CSAO was advised on Oct. 22, 1974. The four were advised by letter on Oct. 23, 1974.

Mr. Renwick: That's right. They were advised but there were no negotiations.

Hon. Mr. Snow: The CSAO felt that five at the 2 level and three at the 1 level was more correct but has, as yet, taken no official action in this regard. The CSAO position, apparently, was that three incumbents were working at the 2 level and two more were capable of working at that level and should, therefore, have that classification. The communications with the CSAO have been informal. We have no knowledge, Mr. Speaker, of mechanics 3 reclassified to mechanics 2 last month, as was suggested by the member for High Park. If the member has further information on that, I would be pleased to have it.

Mr. Lewis: By way of a supplementary, how does the minister reclassify down three people, two of whom had 19 years of work with his ministry and the other 18 years of work with his ministry, when they were working at an equivalent status with all the others? How does he do these things so arbitrarily and capriciously? How does he choose for people in that way?

Hon. Mr. Snow: Mr. Speaker, I don't think it was done arbitrarily at all. There were several meetings—

Mr. Lewis: There were two meetings.

Hon. Mr. Snow: —and several audits of the position. The work that was being carried out, as I understand it, by those particular employees was the class of work in the one level.

Mr. Renwick: The decision was made, and then the ministry approached the CSAO.

Mr. Speaker: The Leader of the Opposition.

BRUTALITY IN TRAINING SCHOOLS

Mr. R. F. Nixon: I have a question I want to direct to the Minister of Correctional Services, who is now in the chamber. Can he tell the House what investigation he has ordered into the allegations made by an employee of his department, William Brewer, as to the organized brutality that Mr. Brewer says is taking place in the training school system of this province? Has he got an investigation in process? If so, will there be public hearings? Or does he feel it is simply sufficient to go ahead with the hearings already ordered into whether Mr. Brewer should be dismissed.

Hon. R. T. Potter (Minister of Correctional Services): Mr. Speaker, this is another case where, when disciplinary action is taken against one of the members of the staff and naturally he decides that unless the action is dropped then he's going to make trouble. This doesn't come to me as any great surprise because I've been told now for several weeks that if we continued with our action this was what would happen.

During this time we have carried on an investigation of the institutions that are mentioned and we don't find any evidence to substantiate the charges that are made by Mr. Brewer. As a matter of fact, Mr. Brewer has never been in either one of these institutions.

As far as I'm concerned there certainly isn't any indication at the present time that this was going on. I think the members will all agree that when we get into training schools or any other type of school where you have a group of boys, there is a certain amount of horsing around. Sometimes this is misinterpreted by some people. But we haven't been able to find anything that would substantiate the charges that Mr. Brewer has made.

He has a grievance which will be heard later this month, and really I don't think I should comment any more on Mr. Brewer and his particular case until after that grievance is heard.

Mr. R. F. Nixon: Supplementary: Is the minister then prepared to tell the members of the House that there is no truth in the specific allegations made public in this mornings Toronto Sun, where the institutions were named and the specific events were referred to? Is he prepared to table the results of his investigations in this connection?

Hon. Mr. Potter: As I said earlier, Mr. Speaker, we have not been able to find any evidence to warrant these allegations or to substantiate them. We are continuing of course, with our investigation and I'd be only too glad to advise the House of the results of our findings.

Mr. Speaker: The member for Lakeshore.

Mr. Lewis: Supplementary, if I may.

Mr. Speaker: This will be the last supplementary.

Mr. Lewis: Since the allegations have now been made publicly in this fashion and given the credence that comes with that publicity, why does the government insist on holding the inquiry into Mr. Brewer in camera? Surely it has a responsibility to open it up now to the public.

Hon. Mr. Potter: Mr. Speaker, I understand this is a procedure that is usually followed.

Mr. Lewis: That the government has decided upon.

Hon. Mr. Grossman: It is a grievance procedure.

Mr. Lewis: It is not a grievance.

Hon. Mr. Potter: Following this grievance hearing, if Mr. Brewer isn't satisfied, then he has a grievance before the Civil Service Commission, which then—

Mr. Lewis: The minister is just hushing it up.

Hon. Mr. Potter: I'm not hushing up a damn thing.

Mr. Lewis: Oh, yes the minister is.

Hon. Mr. Potter: Oh, stop being so stupid! We are not hushing up anything!

Interjections by hon. members.

Mr. Lewis: That is two of us the minister has called stupid in a couple of days. That's not very nice and not gentlemanly.

Mr. Cassidy: Is the member getting an itch? Can't he take the heat?

Mr. Lewis: I must say the minister is probably on his way out of the cabinet.

Mr. Speaker: Order. The member for Lakeshore.

ROYAL COMMISSION ON ALLEGATIONS OF POLICE BRUTALITY

Mr. Lawlor: Thank you, Mr. Speaker.

Do hush up. That was not very diplomatic of the minister, or even parliamentary, for heaven's sake.

To the Attorney General: Has he given any thought over there to providing counsel or some kind of legal help to the numerous complainants who will be appearing before the police violence royal commission by way of legal fees or covering them? Most of these people are down and out and, as I see it, they are going to be cut to pieces by counsel before the committee and need legal services.

Hon. Mr. Welch: Mr. Speaker, to answer the question directly, the Attorney General has not been asked to give consideration to this matter. If I can interpret the member's question as a request to give some consideration to it, I accept it in that regard and I will be glad to give it some consideration.

Mr. Lawlor: It's elementary that the minister hasn't done so.

Mr. Speaker: The member for Huron-Bruce.

CONTAMINATED LIVESTOCK SEMEN DISTRIBUTED

Mr. Gaunt: Mr. Speaker, I have a question of the Minister of Agriculture and Food. Since the minister has been notified that some contaminated AI semen has been distributed and sold, what action has the minister taken in this regard?

Hon. Mr. Stewart: Mr. Speaker, to say the least, I am very much concerned by the implications behind the question asked by my friend from Huron-Bruce. I know that he, as a livestock man, is very much concerned too.

When I became aware that semen reportedly was being distributed throughout Ontario that apparently had been rejected at the federal lab at Hull, I asked for a report from all of the insemination units across Ontario going back to June 1, 1972, on every sample that had been sent to Hull. That was done through the assistant deputy minister's office. We have not received that report to this date. We have to wonder why. We have discussed it with the federal officials and with the people at the Association of Animal Breeders.

I can tell the member that we are mightily concerned, Mr. Speaker. I can tell him as well that through the limitations of the Artificial Insemination of Cattle Act in Ontario, we will be pursuing it to the full.

Mr. Gaunt: A supplementary.

Mr. Shulman: A supplementary.

Mr. Speaker: The member who asked the question may have the first supplementary.

Mr. Gaunt: Since the OPP have also been informed, does the minister anticipate getting a report from them as well?

Hon. Mr. Stewart: I have certain documents in my possession, which I assume the hon. member has as well, which report certain things. They will all be part of the checking we will be doing.

Mr. Shulman: A supplementary.

Mr. Speaker: This will be the last supplementary. The member for High Park.

Mr. Shulman: Is the minister aware that United Breeders have posted a notice on their bulletin board forbidding their employees to give out the dates on which contaminated samples were supplied?

Hon. Mr. Stewart: No, Mr. Speaker, I was not aware of that.

Mr. Shulman: Would the minister look into that?

Hon. Mr. Stewart: I wonder if my hon. friend would give me some proof of that.

Mr. Speaker: The member for York South.

GAS PIPELINES

Mr. D. C. MacDonald (York South): I have a question of the Minister of Energy, a two-part question with regard to pipelines.

Now that the Canadian Arctic Gas consortium appears to be foundering, if not disintegrating, and there is some possibility of it being replaced by a Canadian-dominated consortium, the so-called Maple Leaf or Foothills Pipeline Co., is it accurate to say that the government of Ontario is tending to leave its support with the former American-dominated pipeline?

Coming back to the Ontario scene, what is the position of the Province of Ontario with regard to Interprovincial Pipe Line now that they have lost interest in the Sarnia to Montreal line? Is there any possibility that the Ontario government will join forces with the federal government in a publicly developed line and one, it is hoped, that would be in Canada and out of the prime farmland of southern Ontario?

Mr. Stokes: And through the north.

Hon. Mr. McKeough: Mr. Speaker, I thank my friend from York South for at least six questions that I think he asked—

Mr. MacDonald: There were two overall ones and some other—

Hon. Mr. McKeough: I'll try to remember them.

Mr. Cassidy: Let the minister tread his way carefully.

Hon. Mr. McKeough: First of all, I think there were some reports following the first ministers' conference which indicated that the Premier (Mr. Davis) had indicated the government's support for the Foothills project, as opposed to the CAGSL project. That was not correct. He has not done so, nor has the government.

Mr. Lewis: Where is the Premier today?

Hon. Mr. McKeough: We continue to be more convinced of the viability—let me put it this way: Our concern is to bring frontier gas to the Canadian markets and particularly to the Ontario market.

Mr. MacDonald: Would the government have a preference for a Canadian consortium?

Hon. Mr. McKeough: Both are Canadian consortia. The member is tossing things around which I won't bother taking issue with, but both are at this moment Canadian consortia. There are only two people in the Foothills project at the moment; whether it is going to get off the ground remains to be seen.

On the basis of the evidence that has been put in front of us and our investigations and studies, both engineering and economic, we would think that at this moment the project which has the best hope of completion in getting gas to market is the Canadian Arctic Gas Study Ltd. proposed Mackenzie Valley route. We remain flexible on this. If circumstances change, then certainly our position can be changed very easily. At this moment that is our best guess.

Was there a second part to that question?

Mr. MacDonald: No.

Hon. Mr. McKeough: Then the member went to IPL. I don't think it's fair to say that Interprovincial Pipe Line has lost interest in the project. From my reading of the press they are concerned—which is something which my friend from York South and his party wouldn't understand—as to whether they can make money on the project and not lose money, which happens to be a fact for which most businessmen and which most

of us on this side of the House have an appreciation.

Mr. Lewis: Until the Treasurer (Mr. White) bails them out of the public treasury, as he knows he will. That's what the deal is.

Hon. Mr. McKeough: No, we are not proposing to bail them out or anything else, but to say that they have lost interest because they don't know how they are going to be paid is the sort of red-tinged socialism over there which just destroys the credibility of the members opposite.

Mr. Renwick: The government will finance it and they'll make the profit.

Interjections by hon. members.

Hon. Mr. McKeough: Those members don't understand making money. They think profit is a dirty word and that's why the people of this province will never support that bunch of reds over in that party.

Interjections by hon. members.

Mr. MacDonald: Supplementary.

Mr. Speaker: We have overrun the oral question period.

The question period has expired. Order, please. Order.

Interjections by hon. members.

Mr. Lewis: Supplementary, as the Premier of Ontario is canvassing—

Mr. Speaker: I think you are out of order, sir.

Interjections by hon. members.

Mr. Lewis: —at this very minute, I—

Hon. Mr. McKeough: On a point of order, I think it is safe to assume, sir, that the Premier is making sure that we are not inflicted with the same disaster which the people in Stormont had.

Interjections by hon. members.

Mr. Speaker: All your points of order are out of order!

Interjections by hon. members.

Mr. Speaker: Order!

Mr. Lewis: The Premier is looking after what is known as an endangered species.

Hon. Mr. McKeough: No way.

Mr. Speaker: Order.

Mr. Stokes: Let it be known that the Minister of Energy is calling Cornwall a disaster area.

Mr. Speaker: Order, please.

Mr. MacDonald: What those people don't realize is that the Premier is the worst man to send down there.

Mr. Speaker: I would just remind the House we are not in Carleton East at the moment. Order, please.

Interjections by hon. members.

Mr. Speaker: Petitions.

Presenting reports.

Hon. Mr. Welch presented the 68th annual report of the Ontario Municipal Board for the year ended Dec. 31, 1973, and the report of the public trustee for the year ended March 31, 1974.

Mr. Speaker: Motions.

Mr. G. Samis (Stormont): Mr. Speaker, on a point of privilege, I would like to say to the hon. minister that it's true I am new to the House but I don't yet consider myself to be a disaster.

Interjections by hon. members.

Mr. Speaker: Introduction of bills.

Now the member for Stormont may rise, before the orders of the day.

Mr. Lewis: Don't dignify it by repeating it.

An hon. member: Hardly an objective opinion.

Mr. J. R. Breithaupt (Kitchener): Mr. Speaker, before we go into committee I would like to draw to your attention the fact that the member for Grey South, the hon. government House leader, has received a distinction yesterday from Wilfrid Laurier University, where he was awarded the honorary degree of Doctor at Laws.

Interjections by hon. members.

Mr. Breithaupt: Both the minister and I have an involvement with the university—

Mr. Lewis: Their standards are declining! Maybe they'll give me a degree.

Mr. Breithaupt: I did want to give him my best wishes. Not only have we shared an interest in the past in Waterloo Lutheran University together but I am sure we both have an interest in the development of Wilfrid

Laurier University and I would congratulate the government House leader on this high award.

Interjections by hon. members.

Mr. Speaker: Dr. Winkler is so recognized.

Orders of the day.

Clerk of the House: The 20th order, House in committee of supply.

ESTIMATES, MINISTRY OF CONSUMER AND COMMERCIAL RELATIONS
(continued)

On vote 1302:

Mr. Chairman: On item 3 of vote 1302.

Mr. P. D. Lawlor (Lakeshore): Mr. Chairman, I was on my feet the other evening when we adjourned this particular debate. And at that stage, Mr. Chairman, I was in the throes of a persevering debate, touching the recommendations that are before the minister, I'm sure, and his ministry, on no-fault insurance in the Province of Ontario, proceeding from the Insurance Bureau of Canada. This is a very powerful entity, and because of the foreclosure of the debate on these particular estimates—in the sense that there is a limited time available to us—I shan't flaggelate the issue, although I think it's—

Mr. Chairman: Maybe the hon. member for Lakeshore would just like to take his seat until we get the Legislature prepared?

The hon. member for Lakeshore.

Mr. Lawlor: Thank you, Mr. Chairman. As the minister will recall, we were on no-fault insurance. I was saying we can't draw out these estimates, or really give this type of thing the scappling treatment that it deserves. Nor will I proceed along the lines of the other evening, seeking to set out the minutiae of the situation.

I'm sure you're aware of the report of the symposium of the lawyers and the insurance people on this particular situation, and contained in the March, 1974 gazette of the Law Society of Upper Canada. I would just mention there are several more matters which would be of benefit to the people of Ontario from a totally non-partisan source, which I can give accord to—that is, again, some of Linden's recommendations. I read you a number of them the other night—one, that the benefits of the present Ontario non-fault scheme should be improved.

Mr. J. A. Renwick (Riverdale): Even my friend can call him non-partisan; I don't understand it.

Mr. Lawlor: Let's say non-conservative. That makes one pretty non-partisan, doesn't it, from the word go?

Mr. Renwick: It's pretty hard to be non-partisan and be retained by the all-Canada insurance group.

Hon. J. T. Clement (Minister of Consumer and Commercial Relations): It's hard if he's not conservative.

Mr. Lawlor: No, he wasn't. When was he retained by them?

Mr. Renwick: Out in BC—wasn't he?

Hon. Mr. Clement: Who, Linden?

Mr. Renwick: Linden.

Mr. Lawlor: Out in British Columbia.

Mr. Renwick: Yes.

Mr. Lawlor: Linden says the benefits of the present Ontario no-fault scheme should be improved. The death benefit should be raised to $25,000. We should consider removing the $5,000 limit on rehabilitation costs, and replacing it with a limitless figure. The $70 per week disability allowance, although not insignificant, is still a long way from adequate. We should consider doubling that, and eventually perhaps tripling it, so that the majority of the population need not be out of pocket in the area of salary arising out of this.

Those are several points that he has made, which I would ask you take under advisement. There are some very pertinent and scappling points in the balance of that fairly lengthy symposium—which, again, I would ask you to give some thought to.

I would like to know, arising out of the estimates, as to what your plans are in regard to no-fault at this stage in its development. My reason for speaking earlier was to try to forfend, as best one could, against your adopting or giving any credence to the proposals forthcoming, at least under this guise, from the industry.

I think from all quarters—from the most aquamarine blue of the right to the most scarlet of the left—the whole parameter of the rainbow in this province and elsewhere, they have been inveighed against. I think the insurance industry is taken very much aback and startled to see the response that has been forthcoming. They deserve to be startled and to be held back in this particular head, be-

cause what they have really devised under the scheme is a means whereby they are subsidized through hospital premiums and through the workmen's compensation benefits and by any other ways through which social security measures flow to protect people who are injured or people who are killed arising out of motor vehicle accidents or in any wise.

Far from giving the subrogation rights, they wish to withdraw. In point after point, it is a scheme whereby very little money would be paid out to premium holders, The premiums would be increased and, thirdly, therefore the profit margins would be safeguarded which they claimed, for many generations now, have been in jeopardy. In other words, they don't make any money on automobile insurance and if they can have this scheme brought into being, through the minister's auspices because he is the boy in charge, then they would have ensured and guaranteed themselves a good rate of profit over against their present bellyaching.

With that in mind, please forfend in this regard. I would like to know your response to these proposals as they have come through. They have been long before us. In that response, would your general plans also be encapsulated—what and where you intend to move in and whether you intend to do anything? Are you going to bring on legislation enlarging the plan before Christmas? Have you given any thought to taking it out of the hands of the private insurance industry completely, as we have advised?

As I said the other day, we are not opposed to tort action or tort claims or going forward in the courts with these claims should they be foolish enough to wish to do so. That is a peradventure of the bar with their clientele. Leave that open, that's fine. We won't foreclose, nor have they in British Columbia or Saskatchewan or other pioneering provinces, with regard to this particular kind of insurance.

What we do say, and I will have to have it proven to me to have it proved in any other way, is that the premium rates cannot by any logical or rational approach but be smaller under an overall compulsory universal governmental scheme. If the private insurance industry is going to administer it in terms of advertising, in terms of the competitive ethos or in terms of agencies all over the place, they simply cost more money. It has been proven, I think fairly conclusively, that you can save 15 to 20 per cent on the premiums if they are handled on a universal scheme. That is the whole meaning of insurance. That's the whole meaning of governmental insurance. It was the meaning behind health. It is the meaning behind workmen's compensation and it is the meaning here and the dawning realization is coming home to roost.

The only other point I want to make in order to foreclose these remarks, because I have to get down to the Revenue estimates, is why are people permitted to work under the automobile insurance plan of the province paying a pittance into that plan in order to obtain driving privileges and then using the general pooling of resources for victims of these particular people? Why isn't it obligatory? Since we all consider driving in the province a privilege and not a right, why aren't they obliged to fall within and produce insurance—according to your purblindness at present, private insurance?

If they cannot afford to do that, then they ought not to be in automobiles. They are a hazard and a risk to the public in a way way beyond anything that would redound to them in terms of outlay and out-of-pocket expenses in order to obtain insurance.

We all feel that if you can't afford to buy insurance, you shouldn't drive. It is as simple as that. Why isn't that equally applicable to the numerous individuals who take advantage of the scheme and pay a few dollars in? I wouldn't oblige people to go for collision insurance. If they want to wreck their own automobile and have it as a write-off, I think there is an area of personal freedom that is within their domain, although if an across-the-board scheme came into being. I think collision may very well be provided for because the costs would be relatively negligible within the blanket coverage of that particular scheme.

Those are the few things that occur to me under this head and I would appreciate the minister's remarks.

Mr. V. M. Singer (Downsview): Do you want to answer him? I will be asking questions on insurance, too.

Hon. Mr. Clement: Oh, I am sorry.

Mr. Chairman: The member for Downsview.

Mr. Singer: Mr. Chairman, I missed the beginning of the discussion on insurance the other evening and came in on the tail end of your remarks to the hon. member for Lakeshore, but many of the questions he raises I think are most valid.

I only got very mild encouragement from the minister's introductory remarks that there was going to be an investigation of the whole Insurance Act. It is long, long overdue and I don't know what vehicle the minister has in mind. If he has in mind a presently functioning select committee, the ability of that committee to get at the Insurance Act is probably very limited in time and it would probably be a year or a year and a half in the future.

There are many, many urgent questions about insurance, I think, that should be gotten at reasonably quickly. The whole rate structure is a constant source of amazement and puzzlement, not only to members, but to constituents who constantly raise the question—to me, in any event. How do you explain the rate structure?

I think we have moved a little bit from the days when we did that investigation by a select committee of inquiry into automobile insurance in the early Sixties. We have an actuary who functions for government, but I have yet to see the actuary's opinion about insurance rates. When our select committee visited England I was fascinated to find out that there is an actuarial department advising government in the United Kingdom and that they take on tasks like this. There is a whole department there that is able to advise government from an actuarial point of view as to this kind of question and many other questions. If we only have one actuary serving the whole government of Ontario, and I gather that's all that we do have, then his ability to examine the green book that the underwriters or the insurance actuaries come up with is very, very limited.

There are so many gaps continuing. How does one explain this mysterious category—and I suffer from this personally—of the single, under-25 male as the greatest menace on the road? Should he happen to get married between his 16th birthday and his 25th birthday, he ceases to be such a menace; having had the ability to enjoy a marriage service suddenly apparently bestows upon him great responsibility, so he comes into a different category.

Let me be a little personal about it. I have a 21-year-old son who drives. He has been driving since he has been 16; he has never had an accident, but his premium is double mine because he is an under-25 single male. Surely his five years of driving and his accident-free record should be of some benefit, but it isn't.

His sister, who is 18, and who has only been driving for two years, is in an entirely different category because she is presumed by these amazing fellows, these actuaries, to be a much better driver because she is female. Whether she is single or married apparently doesn't matter, and her age doesn't matter that much either.

I don't think that makes any sense, and I think it is time that we had the ability to be advised by someone on behalf of government, no longer by insurance actuaries, as to the validity of this rate structure that we are absolutely unable to cope with.

To follow my own personal problem down the line a little further, when I got the bill in and saw it had gone up and not gone down, despite the accident-free record, I phoned up my agent. My agent has gone through one of those weird processes where he used to be an individual in business and through a series of deaths and amalgamations he is now a member of a mammoth insurance agency. You get a little sticker saying "phone Miss Jones" and everybody who answered that phone that day was Miss Jones, so I asked Miss Jones about the rate structure. She said: "Oh, I don't know about the rate structure. Why don't you phone the actuaries at Royal Insurance? They will be able to tell you." You go round and round in circles, and the ability of an individual to inquire intelligently about rating structure just isn't there.

I don't know what kind of advice the minister gets; I don't know what kind of advice the registrar gets. One would think that if the actuary seriously looks at those rating books as they come in, as they are presented—and they are presented for information, not for approval. If he has any inquiries we never get to hear about them, in any event. It is all an inside job.

The mysterious question of whether or not investment profits are taken into consideration in fixing the rate structure never really has been satisfactorily answered. We hear about underwriting losses only. I continue to believe that underwriting losses do not take into account investment profits.

If the automobile insurance business is in as bad shape as the occasional insurance executive would lead us to believe, one wonders why so many of them continue to stay in business. I'm not of a mood to believe that they stay in business only because they think they are providing a public service. They're in business to make a profit, and if they're not going to make a profit they're not going to stay in that line of business. What

about the interest on prepaid premiums which must run into many hundreds of thousands of dollars? Is that taken into consideration?

I think, Mr. Chairman, without waiting for the investigation by a standing committee of this House or a select committee, we should be entitled to have an intelligent report from the minister relating to the usefulness and the validity of the present rating structure. Along the same line, when our committee was sitting in the early 1960s, one thing that all members felt very strongly about was who determined who could drive on the road. Was it to be the insurance companies or was it to be the government licensing agency? The insurance companies at that time were saying: "Mr. Clement, we don't like your driving record. We're not going to give you any insurance." Mr. Clement, being a reasonably intelligent person, would say: "If I can't get any insurance, I'm not going to be on the road." So, the insurance companies, at that point, were determining in that way who could be on the road.

As an alternative, the report recommended that the industry be offered, and I believe the government did offer to them, a driver licensing review board which the industry never, in fact, asked for and which, I gather, never has been set up. In other words, where a driver's record was of such a bad state that the industry felt, or a particular company felt, that he should no longer have insurance, then the question of his right to continue to be on the road could have been or should have been able to be referred to this board. They would determine whether or not he could stay on the road. If the licensing people decided he could stay on the road then there had to be insurance. It sounded great except for two things: One, that review board was never set up and, second, they switched tactics. They switched tactics not by saying: "You can't have insurance," but by saying: "If you're going to have insurance, we're going to double your premium or triple your premium."

Somewhere along the line, the insurance industry is doing exactly the same thing. I can understand the complaint and the concern that, if the driving record of an individual applicant for insurance is so bad that it is reasonable to argue that he shouldn't be on the road, there should be a review of his privilege to carry on with his licence, but I don't think that should be a substantial determination by the insurance companies. I think it should be a determination by the appropriate government agency supported, if you will, by a review board.

In addition to that, Mr. Chairman, I think the government has got to get into the whole business of adjusters. The hon. minister hasn't practised law for a few years, but I would imagine he can think back to when he was in his law office in Niagara Falls and from time to time had to speak to adjusters. In the last year or two, I found that the adjusters they are sending out are younger, less trained and with less authority than ever before. They come in to talk; if possible, to glean information, but certainly not to make any offer that is binding. It's really a thorough-going waste of time. They don't understand the automobile negligence field.

I would think the time is long, long overdue when a much stricter system of training and qualifying insurance adjusters must be embarked upon, and I think it's a duty and responsibility of government that this be done in the public interest. It's all right if the injured person or the claimant has a lawyer and a reasonably experienced and knowledgeable lawyer to act on his behalf. But how many individuals who are frightened by the legal process get misled or misinformed or improperly informed by an adjuster who really doesn't seem to have, insofar as I've been able ascertain, any great standard of qualification, training or education?

The only time you really get reasonable adjusters is when you are able to deal with somebody who has been in the business for a fair length of time, who has established a fair reputation and who comes in and talks frankly and honestly. We see too many inexperienced and untrained adjusters who are abusing this whole field. I think that's wrong, and I think the government has got to step in and begin to do something about it. So there's rating and adjusting.

There is the other field of repairs too, when you are talking about collision damage. I guess it's no great secret that when the body repair people or the garages first look at a car and have in mind an estimate, one of the questions they ask directly or indirectly is, "Who's going to pay for it? Are you going to pay for it or is the insurance company going to pay for it?" If they get an indication that the insurance company is going to pay for it, it seems to me that where there is a dent in the fender or a dented bumper, rather than hammer it out and repaint it, the recommendation is—and the estimate goes along with it — to replace the fender or fit a brand-new bumper and so on. Again, I think there has to be some serious

kind of policing, because this whole system is beginning to run away with us.

For many years I have urged upon government and the industry that if the present matters that the public are complaining about are not dealt with reasonably and adequately, the demand for government insurance is going to be so overwhelming that it is not going to be able to be resisted. Government really has taken no serious action and the industry a little less.

Let me talk about what I think the minister is familiar with, the latest effort by one particular company to bring in a complete no-fault scheme. Elaborate presentations were made. Somewhere along the line the presenters of the scheme got into their mind the idea that as of Jan. 1, 1975, we were going to have a complete no-fault scheme. That was in their literature and in their presentations. Somehow, along the line, they also made a terrible mistake. They brought that scheme before the Advocates Society, and more lawyers attended that meeting, I think, than ever attended a legal meeting in Ontario before. Most lawyers who listened to that scheme found serious flaws in it. It may be that the whole scheme is not a bad one—

Mr. Renwick: What is that, the Insurance Bureau of Canada scheme?

Mr. Singer: Yes, which was really sponsored only by one company. It was imagined by one company and given the seal of approval or the imprimatur of the IBC, which it really didn't have, because after it had been presented several companies detached themselves from that recommendation. But we haven't heard a word from government about it. What does government think? Is it good? Is it bad? Should we do away with pain and suffering as a heading for damage or not? Should resort to the courts be taken away in all except the most serious instances, or shouldn't it?

We are all worried about costing, and the problem of costing and the problem of rates seem to be the sole and entire concern of the industry. I haven't yet been able to get from my good friend the registrar, or from Mr. Thompson in his department, any concrete basis on which they realistically examine the rate structure. I'd like to hear if the minister can tell me today why the single, under-25 male, until he either gets married or passes that magic age, has to be charged perhaps twice as much as anybody else, even if he has five, six or seven years of accident-free driving. These things just don't make any sense.

One other thing that was brought to my attention the other day by a constituent, who didn't have the best driving record in the world, was that he was awarded points because he committed certain offences—and I think he got up to six. In his last notice about points they said those points will disappear in two years, which is the normal structure. "But," he said, "by the same token, my insurance company tells me that because I had lost those points, I'm going to be penalized in additional premiums for three years."

If the licensing branch says, "We'll take those points away in two years," why should the insurance company have the right to increase the premium for three years? Should the government not concern itself with that? I think it's a very serious problem.

He sent me his conviction records and he said: "I went and told the provincial court judge about this, and said the fine was going to be $13. He felt very sorry for me and he reduced the fine to $5." I don't know what he was doing; driving a few miles over the speed limit, or failing to stop. It was nothing very serious. But he said: "I'm paying my insurance company $35 more a year for three years because I had this one conviction registered against me in which I was fined the sum of $5."

Is that reasonable? Is it sensible? Why shouldn't there be some sort of meshing together of the various departments and some real control by government?

Substantially, Mr. Chairman, what I'm saying is: I don't know that it is sensible to wait until the availability of a particular committee to get into this. If the minister feels that a committee can do it better—and probably I'm prepared to agree with him—why can't he start a committee working right away? And, certainly, why can't we get some ministerial decisions that will begin to tackle some of the more serious problems?

There are very serious problems in this industry. They're problems that affect all of the people who live in the Province of Ontario. They can understand that. They're worried about rate structures. They're worried about slowness in settlement. They're worried about what they feel are inequitable settlements They're worried about the problems of possible litigation. They're worried about the problems of consulting the profession. They're worried about the things I've talked about—and many others.

I would like to hear the minister deal at some length with what he has in mind, particularly about automobile insurance.

Mr. Renwick: May I make a couple of comments, Mr. Minister, or would you prefer to answer now?

Hon. Mr. Clement: No, go ahead—and then I will answer.

Mr. Renwick: I'm certainly not going to repeat at length, but there seems to me to be about three or four areas that my colleague from Lakeshore and the member for Downsview have spoken about that are of concern to me.

One is: I would like to know, as a matter of record, how many of the 76-odd recommendations of the minister's committee on insurance claims have been implemented? There's no point in us talking about matters where the implementation has taken place, but I was speaking about the minister's committee on insurance claims. It was set up by his predecessor, Bert Lawrence—who is, of course, no longer a member of this assembly—and it reported on Aug. 25, 1972.

Mr. Singer: That is that lawyer from Oakville, isn't it?

Hon. Mr. Clement: McWilliams.

Mr. Renwick: The McWilliams report, yes.

Mr. Singer: McWilliams, yes.

Mr. Renwick: It tried to deal with an immense number of specific recommendations, because—

Mr. Lawlor: That's the one the minister tried to suppress.

Mr. Singer: That's the one we had so much trouble getting hold of.

Hon. Mr. Clement: The members didn't say "please."

Mr. Renwick: —of the very adverse public image which the insurance industry—particularly in the settlement of claims field—had at that particular time. That's the first point that I'm interested in.

The second is: I'm very much interested in this speech that the minister made about the question of change in the licensing provisions for adjusters employed by private companies as distinct from independent adjusters. I'm referring, apparently, to a speech which he made—if I remember correctly, I think it must have been in June of this year—in which he told a conference of the Canadian Federation of Insurance Agents and Brokers in Toronto, that his ministry is concerned about the inequality of accountability between independent adjusters who are licensed by the province and those working directly for insurers who are not licensed. You are quoted as saying: "Mr. Clement suggested uniform licensing requirements across the country as being the most logical step."

Forgetting the minister's phrase "across the country," what's he going to do about the Province of Ontario with respect to providing a high standard of insurance adjusting for general insurance claims, including automobile insurance claims?

The third thing that I'd like to get some answers about is: What concerns does the minister have with respect to the life insurance industry at the present time? Again I'm referring to a very recent report with respect to the inadequacies of the present legislation governing the activities of life insurance agents.

The next matter that I would like him to deal with is, I wish he would do us the courtesy over the years of giving us gradually, one year at a time, the various reports of the superintendents of insurance, who apparently believe that they can deal nationwide without implementing any particular recommendation in any province until all the provinces agree. The reference to the life insurance field and the agents working in that field apparently was included in the report of the superintendents at their conference dealing with insurance agents, brokers and adjusters generally, not just entirely limited to the life insurance field.

Those are, for the moment anyway, the principal concerns I have. I think we have simply got to get down to grips about what the ministry is doing about it. Are they working on no-fault? Are they working on the Law Reform Commission report? Are they simply limping along and allowing the vested interests of the legal profession to scupper and torpedo every scheme which could possibly be conceived of as an improvement in the automobile insurance industry?

This, of course, is what takes place. I happen to have—and if anybody wants to fool around with it I can read it into the record—the reports from early this year where there has been a consistent, vocal, articulate, effective campaign by the vested interests of the legal profession who are intent upon preserving the tort liability, based on negligence, in the insurance field.

All right. Any vested interest has a perfect right to put its position. But there is never a contrary position put. The Law Reform Com-

mission has put one contrary position, reported to the government and the government does nothing. It says nothing. There is no answer made by the Law Reform Commission to it. The chairman of the Law Reform Commission doesn't take to the stand in order to defend the report which they make. The Insurance Bureau of Canada—sure it's supported only by one company, but at least it was an initiative on its part to devise a no-fault scheme that would work, but it never gets off the ground. It is immediately torpedoed, or shot down, or whatever the proper term is in this sort of technological age of air travel. Whatever it is, we never ever get to the basis of the public's concern about the insurance business.

I think the very fact that there were 76 specific concerns—there was one general concern but the report was reduced to 76 specific recommendations in an attempt to say that if you would implement those recommendations maybe something could be done with respect to the failures to the community of what is happening in the automobile insurance field. The funny thing is that because it is focused always on the automobile insurance field in this province because of the failure of that industry in this province, similar problems, not of the same magnitude but of immense importance, with respect to classification and rating of fire and other general insurance fields, with respect to the way in which the life insurance industry is conducted in the Province of Ontario, those problems never ever see the light of day.

I think it is absolutely essential that the ministry has got to take a hold of the automobile insurance thing. We've talked about it. There is nothing new under the sun to be learned in the automobile insurance business. It is now the responsibility of government to decide what is the most adequate scheme for the Province of Ontario, what steps have to be taken to implement it and not simply drag along on the proposition that if we can make the least possible changes from year to year that serves the interest of the people in the province.

I don't need to reiterate our stand on the matter. If anybody in the Province of Ontario knows anything about the New Democratic Party he knows the kind of scheme for automobile insurance which this party would put into force. The minister knows all about it, but the minister plays the same game. The funny thing is, I had a copy of some remarks of the minister in which he attacked the leader of this party. The minister is very capable and very able; he's always sweet reasonableness in this chamber, but when he is outside he is one of the most violently partisan politicians in the Province of Ontario.

Hon. Mr. Clement: I cannot accept that. I find that hard to believe.

Mr. Renwick: I've lost the sheet of paper, because the leader of my party, in bundling up his papers, took it away, but I will give him the examples. Some time in June of this year you made a speech in which you used very extreme language about the leader of this party as one of those social visionaries, and then accused him—without any qualification, without any reservation on your part—of stating that the premiums in Manitoba were 74 per cent lower than they were in Ontario. There was no qualification of it. Now, if we are going to have a meaningful debate about it, I want to say to the minister that that particular kind of problem, to which we devote a reasonable amount of the very limited research resources at our disposal, deserves a better answer than the minister gave.

The leader of this party made a speech to which you were replying, and he made it in Lindsay on, I think it was, April 3 of this year. Some time later on, you responded to it. Attached to his speech were any number of samples of the premium differentials between various cities throughout Ontario and in Manitoba. It was based upon a complete and detailed study with respect to the various premiums that were payable in certain cities in the province as compared with what were payable in Winnipeg. The one class—I think it was example No. 6 or 7—with a 20-year-old person for commuting purposes, showed quite clearly that as between Toronto, Ottawa and Winnipeg the differential in the premium over a period of two or three years was 71, 72 and 74 per cent.

Could the minister qualify his remarks now? He called the leader of this party a social visionary. On the one hand, he said that his information was inaccurate, and he didn't have the courtesy or the sense of pubic responsibility in the field dealing with automobile insurance to even bother to give all of the examples which the leader of this party gave.

Well, I'm saying that the minister—and to an extent some of his predecessors—reflect exactly what I am saying: that no longer can you fool around with the automobile insurance industry. You have to decide on the basis of the immense number of studies, the immense number of reports and the immense number of problems, of which you must be aware, as to what is going to be done about it.

I have one specific case that I want to bring to your attention, but I wanted to make those remarks because it is so frustrating for us year after year to allow the people in the Province of Ontario to be subjected to this kind of in-game which is played between the insurance industry, the legal profession, the Law Reform Commission and the minister's committee, and the minister is the person responsible. You have a responsibility to say: "This is the kind of insurance scheme we are going to have in the Province of Ontario; these are the classifications; these are going to be the rates; these are the people who are going to be licensed to work in that industry; these are the standards which they are going to meet; and that's the way it's going to be." Then we will have an opportunity to assess whether it is possible to bring some kind of order out of what, for practical purposes, at the present time is immense chaos.

The actual number of classifications in the Province of Ontario, the various types of classifications based on region, make of automobile, age of automobile, age of driver, sex of the driver—

Mr. Singer: Marital status.

Mr. Renwick: Marital status—all of those things. It is as if you were trying to say that you have an alphabet with 25 letters in it, and what is the maximum number of combinations of words that are available in the English language given, every one of them being limited to 10 letters or fewer? That's the kind of classification system, and it's allowed to be immersed in that so that every single time somebody can quote one classification as distinct from any other classification, and there is no comparable basis for a true understanding of what takes place.

I emphasize again, at the risk of a minor repetition, in which I usually don't engage, of course—

Mr. Singer: When did the member start that?

Mr. Renwick: —that there are problems in the other areas of insurance in this province which are submerged because of the failure of this government to deal in the one field where they have pretended to have a real concern, but in which they don't, so far as we can understand it, assume any of their public responsibility.

Hon. Mr. Clement: Mr. Chairman, I have enjoyed listening to the remarks of the opposition parties, from the member for Downsview and the members for Lakeshore and Riverdale. I will just deal with them in the chronological order as I listened to the speakers, if I may, and perhaps try to maintain some degree of order.

The member for Lakeshore opened today by speaking rather strongly as to the no-fault system and wondering where is no-fault. He suggested it be taken out of the hands of the industry. I felt he identified very strongly with the Advocates' Society and that view was not continued in the remarks made by the member for Riverdale.

I think one must realize some basic facts before we can really deal with the insurance bureau submission. Ontario has a form of no-fault. There is no question about that. It has been working now for nearly three years and I think working quite well. I practised law at the time it was introduced, or was about to be introduced, and found it somewhat astounding to hear an insurance adjuster say to a client of mine through me, even some months prior to the inception of that plan, "We will pay you so much each week or every two weeks." We lawyers traditionally have said, "Don't sign anything or don't accept anything until I read it." We have overcome this somehow. We have learned as a legal professional and we have learned as a consumer that this programme is now available. I would say it is working extremely well. But that doesn't mean that it has gone far enough.

Mr. Singer: It was recommended 10 years ago, 10 years before it was implemented.

Hon. Mr. Clement: Who made the recommendation?

Mr. Singer: The select committee on which there were three cabinet ministers, the Treasurer of the day, I think, and two others. It was the unanimous recommendation of the select committee.

Hon. Mr. Clement: That was the problem. You should have had me here about that time.

Mr. Singer: It was endorsed by all the Canadian insurance agencies and the elected benchers of the Law Society. You couldn't have had stronger connections for that recommendation. And it took 10 years to implement it.

Hon. Mr. Clement: Thank you very much, Mr. Chairman, I forgot you were here for a minute.

I think members should realize the IBC proposal was put forward—and the member for Riverdale recognized it really for what it was, a proposal prepared, I am sure at rather substantial cost—in answer or in an attempt to answer the question in all of our minds, "Can we go further to provide further protection and more adequate coverage for the ultimate consumer?" That came forward as a proposal. It was suggested in the material and the submission which was made to me, as I recollect, about the end of November, that should such a proposal be acceptable it could be implemented by Jan. 1, 1975.

Mr. Singer: The Premier (Mr. Davis) indicated that in a speech one day too.

Hon. Mr. Clement: That was put forward as a proposal. The next thing that happened, as I recollect the chronology, was that the Ontario Law Reform Commission came forward this past spring with its recommendations, which in essence abolished tort recovery completely. The IBC proposal doesn't go quite that far. The Advocates' Society had an opportunity to discuss this this past spring. I can think of no greater common thread of camaraderie that brought advocates together, who couldn't spend the time of day with each other for years until these proposals were brought forward, at which time they found themselves face to face, in a rather social or quasi social environment, perhaps for the first time.

I have met with the Advocates' Society, or members of it I should say, informally from time to time, as recently as perhaps the middle of August when along with the Attorney General (Mr. Welch), we discussed this very thing and invited a proposal from that society; saying in effect: "what is your position?" We haven't heard from them as yet. They undertook to have such a proposal in our respective hands by the end of November.

I am looking forward to receiving it. I have every reason to believe that we will receive it; and as well I have every reason to believe that some of the items, some of the submissions, will be very beneficial to the ultimate consumers of what they propose. So that's where it is right now.

One can run off in all directions at the same time, saying we are going to do this and do that, but you must look at the alternatives and you must hear from interested parties; and of course everybody is interested and everybody has an axe to grind, that's what makes people work. You are not going to have them come in and speak against their own interest, and we have to proceed on that basis.

So that's where it is right now. I am looking forward to receiving that and any other proposals which might come forward in order that we can then assess the situation; and not only from the point of view of protection for the ultimate victim, we must also assess it on the basis of cost. Anybody can devise a plan if cost is no barrier; we have to be realistic and look at it from a cost point of view.

Now I profess to know absolutely nothing about actuarial science, save that we do have two actuaries working for the branch and two students. The questions was asked, I believe by the member for Downsview, if these one or two people reflect the thinking of all the actuaries in government service. I can't speak to that. I believe that the Ministry of Government Services has actuarial staff but employed in doing its own type of work. We have two actuaries on our staff.

Mr. Singer: Two actuary students or actuaries?

Hon. Mr. Clement: Two actuaries and two actuarial students at the present time, as I understand it. I stand to be corrected.

Mr. Singer: Somebody is waving a finger at one answer.

Hon. Mr. Clement: Two actuaries. Who waved their finger? That's the deputy. Don't pay any attention to him, look at this one; this is the finger to watch, right here. Now under—

Mr. Singer: How many actuaries do you really have? One? Oh, one on each hand.

Hon. Mr. Clement: That's right, two. Two, and two students. I am glad we clarified that. It's a matter of rather pressing public urgency.

Mr. Singer: Have you got their report on the last green book?

Hon. Mr. Clement: No, but I should tell you about the green book because I question whether there may be an area or two on which there may be some confusion in your mind.

I understand, and am advised, that the green book dealing with automobile insurance is prepared under the direction of the provinces and is used by the industry across the country to do its various rating assessments so that the degree of risk can be deter-

mined; and the rate of course must flow from it.

Now the member for Downsview, I think, treated the institution of marriage with great respect by referring to the fact that the young male, 16 to 25, when entering into that wonderful institution, obtains as one of the benefits, and perhaps the only one he will ever receive for having entered it, a possible drop in his rate; but what he will lose in the bananas he will make up in the coconuts in other areas. However, we are not here to debate that today; it is a subject about which I know absolutely nothing.

But I do know that the statistical input, assessed and compiled, indicates that particular sex and age range has a very significant degree of loss each and every year, disproportionate to any other age or sex group. For some peculiar reason, the single male under 25 is much higher in his incidents of loss than the married male under 25. I won't try to estimate or assess why, but that is what the figures say.

Mr. Singer: But that's not the answer. Why is that selection made? Why is that cubbyhole picked out?

Hon. Mr. Clement: That is done because you have to look at the alternatives.

Would you, as someone I presume to be over 25, be willing to accept a flat rate and subsidize those under 25? Of course you wouldn't.

Mr. Singer: You are not wrestling with the problem; you are smart enough to know what the problem is.

Hon. Mr. Clement: No I am not smart enough to know what the problem is. I am just telling you that you have these alternatives. You can take the flat rate and have the careful driver, well over 25—single, married or otherwise—bearing some of the loss by those who have less experience and less judgement and a much higher statistical rate of loss.

Now the mysterious—you referred to something as an inside job, the rates, I think, or how rates are computed—and I believe he used the word "mysterious," that there was some mystery to it.

I think you can really assess whether there is any mystery about the rates applicable here in Ontario simply by comparing those rates with rates in other jurisdictions of comparable size and population within the area. I don't have rates before me, but I can remember reading some not too long ago. For the same kind of coverage in Windsor, for example, it's something like $212 a year, while across that river it's more than $460 a year.

In our experience, rate reductions do not result in jurisdictions that have rate-setting boards. Very much the contrary applies. One of the factors that applies here—and remember there are about 130 companies doing business in automobile insurance in Ontario—one of the greatest factors, and something I think the consumer doesn't realize or think about, is the competitiveness of the marketplace. The rates vary from company to company, depending on their losses and their administrative expertise, and they vary rather substantially.

I suggest to anyone who is thinking about going to buy automobile insurance, perhaps even for the first time, to not do as perhaps you and I have traditionally done, and used our father's agent, our brother's agent or our cousin across the road, but to compare rates on the same kind of coverage. It's a very interesting exercise and one that can be financially beneficial to the consumer.

The age-old question, and I answer it specifically, is: "Are investment funds' moneys considered?" Yes. Before I was the minister, one of the rationales in dealing with estimates about two years ago, I believe in permitting the branch to retain the services of an actuary, was this very thing. Since that time we have had the services of an actuary and one other in addition, plus two students, and we are comparing and watching constantly this escalating cost in coverage.

It's quite understandable, because everything's going up. I know the member for Downsview doesn't need any lecture from me; he knows better than I do the escalating cost of repairs, administrative expenses and so forth. But they have taken investment income into account because, as he knows as well as I do, if not better, that in many instances investment income is a very significant part of their earnings—and not the moneys generated from the premiums alone in view of the escalating costs of losses.

I would like to speak, if I might, with reference to some of the comments made by the member for Riverdale regarding the McWilliams report.

Mr. Singer: What about adjusters and the cost of repairs before the minister gets into that?

Hon. Mr. Clement: All right. I should say the member made some mention about UK actuaries.

Mr. Singer: Yes, they have a whole department of 17 actuaries.

Hon. Mr. Clement: All they examine, I'm advised, is the adequacy of the rates. They don't set the rates.

Mr. Singer: That's right. I would like to see an opinion some day from the Ontario actuaries about the adequacy of the rates that we can't get set. Is the minister going to get that for us?

Hon. Mr. Clement: I'm sorry. I didn't get that.

Mr. Singer: Are we going to get an opinion from the ministry's actuaries, one in each hand, as to the adequacy of the rates presently set by the branch in the McWilliams report?

Hon. Mr. Clement: He is of that opinion right now.

Mr. Singer: Then why doesn't the minister give us the report so we can read it?

Hon. Mr. Clement: I think it was included in the last report from the branch. I'm not sure.

Mr. Singer: Oh.

Hon. Mr. Clement: I'm advised by the superintendent that we do a report on the adequacy of our Ontario companies, which are very small in number. For financial reasons, the bulk of them are federal companies and the federal superintendent of insurance does that very thing. I'll let you debate it with the superintendent. I don't know—I am only passing on the information and advice he has given to me.

Mr. Singer: That is the problem with a series of ministries. There are no precedents.

Mr. F. Drea (Scarborough Centre): Make a phone call. You are the guy with a pipe to Ottawa.

Mr. R. Haggerty (Welland South): The member for Scarborough Centre has the answers. You tell them.

Hon. Mr. Clement: I am having a terrible time with the member for Downsview. I don't know if I can protest to you, Mr. Chairman, or not. Can we bring him before the bench of the House or something?

Adjusters are examined orally by a three-man board of their peers and one departmental representative. That, as I understand it, is the only basic requirement, so far as minimal requirements are concerned. I think your remarks about adjusters—some of them, certainly not all—coming in on fishing expeditions are extremely valid; it's very annoying and time consuming. If the industry doesn't have guidelines as to minimal requirements, then perhaps we should suggest such minimal educational and experience requirements. I think that is pretty valid. I know most lawyers who practise usually ask an adjuster the first time when he comes in: "Have you the ability and power to bind your company?" If they say, "Well . . ."—they invariably say "No"—then you can show them the way to the coffee room and thank them for dropping in.

But I think your point is well made. I am very much in favour of educational and experience minimums, because I think eventually the consumer suffers. The person who uses the services suffers if you don't have some basic minimum educational and experience requirement.

I would like to tell the member for Riverdale that I am advised that about three-quarters of the recommendations set forth in the McWilliams report have been implemented by the industry itself and by guidelines sent forth by the superintendent's branch. There are some which remain to be legislated on. Speaking privately, I find two or three of them in there very attractive, from a lawyer's point of view, and perhaps the rules committee of the Supreme Court might well have to consider amending the rules to implement some of those. I like the way Mr. McWilliams has suggested that perhaps liability can be assessed very early in the game while the memories of witnesses are fresh and not some three or four or five years after the mishap when you are waiting for an injury to heal and memories deteriorate and people disappear.

Mr. Singer: Have you talked about that to your colleague, the Attorney General?

Hon. Mr. Clement: I haven't talked to him about that specific recommendation. I have already mentioned educational standards of adjusters and so on. I am advised that the industry itself requires a two-year period of apprenticeship with a written examination, and the oral examination, which I have already touched on, by three peers or proprietor-adjusters.

The member for Riverdale asked a question about life insurance agents. We have been dealing generally here today with car insurance, and he very properly pointed out

that there are other areas of insurance in which he certainly is interested.

Mr. Douglas Carruthers, QC, has been studying this for, I would recollect, perhaps 15 or 16 months, and will be putting forward shortly a second series of proposals to the superintendent's office. He is dealing with some questions as to whether life agents should be restricted to sell for only one company or whether they should be like general agents and perhaps have a list of sponsor companies. That raises questions: If a man is in the industry, who is his sponsor? To whom do you look in the event of any breach of professional conduct? Who really is his principal? Is it company A, B, C, D, E or F? These are questions that have to be resolved. I think they are valid questions. I am looking forward to receiving Mr. Carruthers' recommendations through the superintendent in the not too distant future.

I should point out—and this has been currently drawn to my attention by my staff —I did write to the former Attorney General with reference to some of the recommendations of the McWilliams report but I have not discussed it with my colleague, the current Attorney General.

The member for Riverdale dwelt strongly on dealing with the speech I made—I believe he said back in June. I recall making that speech and I recall some of the statistics, but not in detail. I do recall that when I read his leader's speech he did quote Manitoba rates but he did not point out in his speech that the scheme had lost $8 million, as admitted by the Manitoba government.

Mr. Renwick: That's quite irrelevant. At the time he made the speech they hadn't lost $8 million.

Hon. Mr. Clement: I suggest it is not irrelevant. If you are not going to say how much the house cost, why say it's a bargain for $800 if you are going to pay $40,000 for the basement?

Mr. Renwick: That was not the point.

Hon. Mr. Clement: I just tell you that I don't like playing games, but your leader, in the debate on my estimates the other day, dealt with the food studies and started to read off profits. He didn't allocate anything. He didn't bring to the attention of the House that those profits came from other than food only—that was the inference—they came from a host of sources, as the food study indicated.

Mr. Renwick: He was criticising your study.

Hon. Mr. Clement: No, he was criticising the study and giving the impression to the members of the House and the public here assembled that certain companies have made 45, 55, 65 per cent profits—whatever he quoted—the implication being, on the sale of food. He didn't say anything about the income tax reduction—

Mr. Renwick: Mr. Chairman, on a point of order, my leader's figures on the criticism of your food study—and we can debate it again, and we can get the Hansard out and check it—was as a result of the work which was done on the study of that report. It wasn't engaged in trying to be either unfair to your report or anything else. He was pointing out certain criticisms.

I don't want to take up a lot of time in your estimates on this matter, but I'm not going to allow the minister to get away on public platforms with destructive tactics and the minister knows that.

Hon. Mr. Clement: I don't know anything about destructive tactics.

Mr. Singer: The next thing you know you will be political too.

Hon. Mr. Clement: I will just say that I heard some figures quoted here the other day and your own leader said that it was a bogus report. I questioned him on it and he very properly stated that that was his opinion as to the opinions reflected in that report.

The member for Riverdale, in concluding his observations, said something to the effect that it was frustrating, for him in any event, to watch the "in" game being played between the industry, the legal profession and the government. I want to assure the House, and that particular member, that I am not playing any "in" game.

With reference to automobile insurance, I think that the present system can be improved upon. I think that we have to weigh the factors. My friend from Riverdale would not disagree with that. We have to weigh the factors. We have to have input from various people, many of whom and most of whom have axes to grind, but it is only that way that we can see what the alternatives are in terms of cost and in terms of protection.

I have certain personal feelings. I have certain personal feelings that run very strongly against the abolition of tort. That frightens me, and I speak as a private member of this House, it frightens me that we might

well someday in this province see tort recovery completely abolished. It may be right that we move in that direction, but it frightens me to think that we may get to a standard scale of damages or injuries and that a three-year-old child having an injury, perhaps losing a leg, gets paid the same as the 85-year-old widow. I don't want to take on the women's liberation, saying that I am against old women, but you know the point I am trying to make, and this concerns me.

I think those are the only remarks that I have, Mr. Chairman, at this particular time.

Mr. Singer: Mr. Chairman, could I just very briefly add a postscript? The minister has done a beautiful job of skating around the problem. He has commented on a few of the things raised by some of the members—by the member for Lakeshore, the member for Riverdale, and by myself.

But the predominant question that I was trying to put to him is: When are you going to come to grips with it? How are you going to come to grips with it? When can we reasonably anticipate either new statutes or an investigative body that will immediately be charged with the responsibility?

It is the same kind of a speech, really, that we have heard from this minister and his predecessors for several years. We have made the same kind of speeches, pointing out what in our opinion are faults and omissions and errors in the system. We have made suggestions.

I spoke in the Throne debate earlier in this session, and gave you six or eight suggestions that I thought had some merit; and they are still there. If you want to look back at Hansard, have a go.

But when are you going to do something? We just don't want a summary of what your thoughts are. Are we reasonably able to anticipate a major revision of this statute soon, or a substantial revision, or the coming to grips with some of these problems—and when, and how?

Hon. Mr. Clement: Mr. Chairman, really there are two questions that I see in the member's remarks. Forgetting no-fault for the moment, one is a complete revision of the Act, which is something I understand you have been known to make comment about in the past, particularly at the time of the estimates.

And second, there is the question of an extension of the no-fault plan, if I may use that phrase.

I am advised by my people the new Act we propose will be phased in over a period of about the next year or two. It is a rather massive piece of drafting. It will be, I would say realistically, probably two years before it is brought in.

Insofar as the no-fault discussions that we have been having here today are concerned, I can give no undertaking to this House, because I must do the following things: My role is to get in the proposals, have my officials examine and weigh them, determine what the alternatives are, and then government itself will have to make a decision as to which avenue, which alternative it is going to follow, or none, and make a statement at that time. So, I can't say when that is going to happen. I just don't know. But I see it as two questions.

My superintendent gave me a note—I think it is what I touched on initially about an updated or revised Insurance Act. And, I say, I think realistically we are talking probably two years from this date.

Mr. Singer: Mr. Chairman, if I may just follow this up, again. This minister has held the portfolio for—what, two years now? Prior to him, I think it was the chairman of the Treasury Board who held the portfolio. I don't know; if I thought deeply enough about it I could list the others who have held it. We have been getting the same kind of an answer for lo these many ministers, and lo these many years. And it is no answer at all. It is an evasion.

Hon. Mr. Clement: Are you suggesting we haven't brought in any legislation?

Mr. Singer: You really haven't changed the concepts, and you haven't come to grips with the problems that are disturbing the people. And every year at the time of estimates, the same litany goes backwards and forwards. It doesn't even have the cut and thrust any more. Some of us who thought that we were going to be able to help bring about some major changes, perhaps have lost our verve. We have seen ministers come and ministers go, and nothing ever being done. We had great hopes for this minister, but he's slipping into the same amorphous package as the rest of them.

Hon. Mr. Clement: I have slipped all right.

Mr. Singer: He dodges the problem. "I can't tell you," he says, "when we're going to change no-fault." If the minister can't tell us, who can?

Hon. Mr. Clement: I estimated it about two years ago—

Mr. Singer: He can't tell us when we're going to get any satisfaction about rates.

Hon. Mr. Clement: —on the Insurance Act. I made no estimate on the no-fault insurance.

Mr. Singer: He can't tell us about who determines who drives on the road. Is it going to be compulsory insurance? To what extent, if at all, does he accept the Allstate version of no-fault? To what extent, if at all, does he believe what the Advocates' Society has already said or individual members have said as to the efficiency or reasonableness or sense to it?

I delivered to the minister myself the minutes of that meeting of the Advocates' Society. It runs through 100 or 150 pages. There are some very, very thoughtful remarks in there. There is a lot of baloney in it too, but there are some very thoughtful remarks in there.

He's got McWilliams there. As for the McWilliams report, when the minister and I were parrying or sparring backwards and forwards across the floor as to whether or not we could have a look at it, does he know why I was doing that? Because I had word from McWilliams that you were afraid to let it see the light of day, that's why I did that.

Hon. Mr. Clement: Why?

Mr. Singer: Because McWilliams wanted the public to see those recommendations.

Hon. Mr. Clement: Was it made public?

Mr. Singer: I haven't done a count but I'm interested to hear that figure. I would like to check. Perhaps we can bring Mr. McWilliams here some day and ask him what he thinks about the implementation of the recommendations.

Hon. Mr. Clement: Was it made public?

Mr. Singer: I would like to see the minister come to grips with the insurance problem. What he has given to us this afternoon is a bunch of pap.

Hon. Mr. Clement: Was it made public?

Mr. Singer: Oh, yes, six months later.

Hon. Mr. Clement: The member is saying it wasn't convenient when he wanted it.

Mr. Singer: It wasn't convenient. Once you get a report, surely it's a public report. The public paid for it.

Hon. Mr. Clement: It was made public. I don't want the member to create any impression that I was hiding anything. It was made public after I had an opportunity to read it, to examine it and to assess it. We made it public in two forms. I gave the hon. member the full set, I think. Then we had an abridgement of the recommendations compiled in a smaller, handier package. We made those available. There's no question about it.

Mr. Singer: Yes, it came forward six months later.

Mr. Chairman: The hon. member for Welland South.

Mr. Haggerty: Thank you, Mr. Chairman. I want to add a few comments to this particular vote and to support my colleague from Downsview on it. I believe too that the minister hasn't come to grips with the insurance programmes in Ontario, particularly the automobile insurance. He mentioned that there were 130 companies operating in Ontario. How many have ceased operations in the Province of Ontario? Or is it a good healthy programme for the insurance companies?

Hon. Mr. Clement: What companies have ceased operating over what period of time? Can the member help me on that?

Mr. Haggerty: Say in the last five years.

Hon. Mr. Clement: Automobile insurers?

Mr. Haggerty: Yes.

Hon. Mr. Clement: I am advised that there have been two or three which have voluntarily withdrawn from underwriting in the Province of Ontario in the last couple or three years.

Mr. Haggerty: In other words, the minister has indicated that it's a good healthy business to be in the automobile insurance in the Province of Ontario. I'm rather disappointed that the government hasn't actually taken any action to check into the enormous fees that are charged by insurance companies in the Province of Ontario, particularly when one can find that automobile insurance has jumped as high as 200 per cent to 300 per cent in some cases. As mentioned before young drivers on the road today, and I think there are many good young drivers today, have to pay enormous amounts of insurance fees to drive an automobile. I've known instances where they have been as high as $400 and, as has been indicated, also about $500 for a

youngster to be driving a car on our highways today. I think it is rather ridiculous that these youngsters have to be placed in that category.

I would like to read a letter which I received from a schoolteacher in Crystal Beach, Ont. I would like to place this on the record. He said:

I'm a teacher in Niagara South and I am "insured" by the Commercial Union Insurance Co. Last year, in January, I had a very bad car accident. I was driving to Welland on a Sunday afternoon when my car struck a patch of ice, went out of control and struck a hydro pole. The car was totally demolished and the insurance company paid me $4,300 to replace my car. I was not charged under the Highway Traffic Act as weather conditions were ruled to be the case of the accident.

Last year I paid $210 for "insurance." This year my cost for the same "insurance" is $466. This is an increase of 221.9 per cent, and even in these highly inflationary days this seems a bit extreme. My insurance company tells me that I was charged a 50 per cent surcharge because I got a couple of traffic tickets in which no accident was involved. It seems that I am required not only to pay a fine to the courts but also a much larger one to the "insurance" companies. When did these huge, impersonal companies become a branch of our judicial system?

I was never contacted by the company about these charges or even given a chance to explain in a letter, but I was arbitrarily assessed a fine of $256. I am told this surcharge will remain in force for five years, which makes my fine $1,280. The total cost of insurance for the next five years will be $2,330 for a car whose value right now is only about $2,800.

I believe that it is time a man's driving record became the property of the courts and not the public. The "insurance" companies need informaton about charges that come as a result of accidents, there is no need for them to know things which do not concern them monetarily. I am also of the opinion that if the government was to charge a flat rate fee of perhaps $100 on all motor vehicles in Ontario, and perhaps slightly more for trucks and buses, there would be enough money to provide no-fault insurance to every driver in Ontario.

Mr. F. Laughren (Nickel Belt): The Liberals are moving towards public automobile insurance.

Mr. Haggerty: To continue:

It seems also that this insurance could be handled from a centrally located office by mail and phone in the same way that most of our huge money-grubbing, unconcerned "insurance" companies handle it now. I am certain competent, compassionate men and women could be found to operate this service.

Mr. Laughren: He has been persuaded by the western provinces.

Mr. Haggerty: Going on:

The "insurance" companies have been complaining for years about having to sell "low-profit" car insurance. Well, let's do them a favour and get them out of the business.

Four hundred and sixty-six dollars represents close to one month's take-home pay for me, or approximately one-twelfth of my spendable cash. Last year I spent slightly over $700 for gas, oil and maintenance or only slight more than the cost of my "insurance." It is difficult to understand how anyone can afford this kind of "protection."

Just as a sidelight to the affair; the total property damage for the claim was $60, yet the cost of my PL and PD coverage jumped to $180 from $75. Also in the spirit of compassion that guides most men, since the replacement cost of my car was about $400 higher than the price I paid for it, I did not charge the company sales tax, thus saving them $308; it is regrettable that they did not see fit to return the favour.

If your political leanings make it difficult to attack a large body of powerful corporations, perhaps you would return this letter with a list of names of men who would be willing to work towards the end I have described. I await a reply and I remain your constituent,

George L. Strath

Hon. Mr. Clement: Did you send him 20 names?

Mr. Haggerty: He is a school teacher, one of your colleagues. He raises the point that in many cases in the Province of Ontario, insured persons call the insurance a rip-off. Now, that is what it is, in my opinion too—a ripoff. I don't quite agree with the insurance policies of our sister provinces; I am a strong believer of the free enterprise system—

Mr. Laughren: Free enterprise for the poor, socialism for the rich.

Mr. Haggerty: —but one of the good pieces of legislation that they do have in our sister provinces is that a good driver doesn't pick up the tab for a poor driver.

Our demerit system in the Province of Ontario is a complete failure. What they have done in our sister provinces, particularly out west in Saskatchewan, Manitoba and British Columbia, is they have applied a special assessment on the poor drivers on their drivers' licences. That is where it should be applied in the Province of Ontario, and not on the insurance rates. I think it's time a good driver in the Province of Ontario got that break and not charged an exorbitant premium increase year after year.

When you mentioned that there are 130 companies in the Province of Ontario and only two had ceased operations, I think that indicates it's a healthy programme for them and a money-maker for them. There is no reason why the people of the Province of Ontario have to pay such high insurance rates. I know my insurance rate went up this year. There were no questions asked. They just sent me a bill and said, "Your increase is automatic." I had no question about it.

I look to the superintendent of insurance to provide some guidelines in this matter so that the rate increases don't come this easy to them and so that there is public review or scrutiny, as the member for Downsview has indicated. I think that is required in insurance in Ontario. As the member for Downsview said, there have been two or three ministers in two years, and two years from now you are going to bring in some revisions. Surely this is not "Laugh-In at Niagara Falls." You can bring in revisions to the programme a lot sooner to assist the car owner in Ontario in terms of rates he can afford to pay.

Mr. Renwick: Mr. Chairman, I feel very much the way the member for Downsview does, that it's probably a waste of the public's time and certainly it's a waste of our time, to pursue the automobile insurance questions with the Ministry of Consumer and Commercial Relations.

I wonder, would the minister tell me whether or not any invitation has been made to the Canadian Bar Association, for example, to justify its criticisms of every scheme which comes out? I'm not talking about the Canadian Bar Association in its all-Canadian aspect; I'm talking about the Ontario section of the Canadian Bar Association, which presumably has available to it all of the skills of the so-called finest trial lawyers under the present negligence system in Canada. Okay? Has that been done?

Secondly, why doesn't the ministry request the chairman of the Law Reform Commission to reply to the Advocates' Society's one-day seminar on the IBS no-fault plan? Why doesn't the minister ask the IBC to comment publicly about the criticisms which are made of that plan?

The Advocates' Society is exactly what it states it to be, the advocates' society. It is a vested-interest organization of persons who earn their livelihood in the courts of law and are wedded to the negligence system. No question about it. Why doesn't the minister ask some day somebody to advise him whether it is possible to incorporate an adequate scheme which will be run in the manner which will fully encompass no fault, but if there are additional margins that persons want to go to court about, they can go to court about them? That's been the Saskatchewan scheme—I don't know whether it still is, but I assume it still is—that you are not precluded from going to court on those other items.

Why hasn't the minister answered the criticism of Allen Linden that there isn't an updated study of the 1962 study, which was implemented when Allen Linden was a professor at Osgoode Hall Law School when it was at the Law Society of Upper Canada? Why don't you say we will have another study and we will see whether or not the basic faults which were inherent in that report have or have not been corrected? Why doesn't the minister disclose clearly in this Legislature whether or not your superintendent of insurance is meeting with the other superintendents of insurance and specifically discussing the IBC plan?

Will the minister indicate whether or not the report in the Globe and Mail on Aug. 27 of this year is true—that many motorists in four provinces can expect a 35 per cent premium cut, which presumably is a rethinking by IBC of its plan? I understand the sequence was December, 1973, or January, 1974. It was shot down in so-called flames in March of 1974, I think it was. Very shortly after, as was stated by IBC, it went back to the so-called drawing boards.

Why did it go back, he said? Why did it go back? "Politicians who resent removal of the public's right to sue for recovery in most cases." I don't think there are very many politicians who understand or resent it. I know every lawyer believes—and it is holy writ—in the right to sue for negligence and to have awarded to his client the damages which have been evolved by the courts

as a method of quantifying, in dollars, the losses which people suffer for various tangible damages as a result of automobile accidents.

That doesn't mean it's holy writ. It doesn't mean that there isn't some other way of compensating people under a no-fault scheme for serious damage which they suffer. That can be done as well and no no-fault scheme worth its salt simply deals with economic loss to the exclusion of all other loss. And nobody in this party or in any other party who has any knowledge of the kind of damage which the automobile can cause, is going to suggest that for one single moment.

The other one was lawyers who criticize it for almost eliminating general damages. We've gone into that time and time again. Who does the other opposition come from? It's the independent agency force. And who is the next group? The consumers groups who say that the plan fails to come to grips with company claims-delaying tactics that are the basis for most consumer complaints. That's why we talked about the McWilliams report.

Doesn't the minister understand that somebody's got to pull it all together? Surely we're not going to spend the rest of this century with further studies about this problem? The tactics are very clear. If the information is based on studies made by responsible authorities, or committees in other jurisdictions, the answer is they're immediately attacked.

The hon. member for Glengarry (Mr. Villeneuve) torpedoed the safety-belt requirement for people in automobiles because what happened in Australia had no application here. That's a tactic which is used Then, if it is a report that is being made in the Province of Ontario that can be attacked for being out of date, it is attacked for being out of date. That is the second tactic that is used. The third tactic that is used is that it indicates the responsible body who happens to make a report has all kinds of dubious thinking in it.

I think if the chairman of the Law Reform Commission of the Province of Ontario, having issued the report which he issued, is subject to that kind of an attack—because that commission has issued some very thoughtful and good reports, as you know—and if they happen to take a different approach on automobile insurance, they need to be allowed to protect themselves.

There are any number of things which you can do. You can't hide in the woods, Mr. Minister, any longer. You have to come out in the open and say what you are going to do about this issue.

Think of the time which has been absorbed in public debate, in public cost over the years, and the horrifying cost to the consumers of this province. The inadequacy of our scheme, it seems to me, can only be shouldered by the government that is responsible for it.

Let's sort the whole thing out. Let every vested interest group have its say, and let the government accept its overall responsibility to put this plan into force. Whatever is required can be assessed and done. Because the community will accept it if you will deal with all the aspects, as the member for Downsview, the member for Lakeshore, myself, and many others before us have dealt with it until we are sort of sick about it.

I am going to deal very briefly with this one case of my colleague, the member for Yorkview (Mr. Young). This is a very simple case. A constituent of the member for Yorkview, a Mr. Baker, drives his car into a shopping plaza, parks it there and goes in to have lunch. While he is at lunch, his car is hit by a taxicab. The driver of the taxicab had a heart attack, and that is what caused the accident. So the guy comes out and he says, "I would like to recover from the insurer"—he is not trying to sue the taxicab driver in the sense of trying to recover. He learns that the taxicab driver is insured through Lloyds of London. The cab driver is told that it was an act of God, therefore he doesn't have to pay for it. So the constituent of the member for Yorkview suffers a loss for which he wasn't covered. He had PL and PD insurance.

The funny thing is, of course—if my understanding is correct; and I stand to be corrected by the member for Downsview—if he had happened to be sitting in the car at the time that it was hit, he also would have been excluded because it would have been an act of God, and he wouldn't have got his recovery.

Surely, we don't sit around in this day and age talking about allowing that kind of injury to be suffered by a person with respect to his property, or with respect to his person, and suggest for one single moment that allowing the automobile insurance to reside upon the hallowed, sanctioned language of the insurance policy against the liability imposed by law—

Mr. Singer: But if he had been hit by an unidentified driver he could have recovered.

Mr. Renwick: That's right; he could have recovered from the fund.

Hon. Mr. Clement: Only if he had had collision.

Mr. Renwick: If he had had collision he could have recovered for his car, but he couldn't have recovered for the damage to himself if he had happened to be still sitting in that car when it was hit by that person.

Hon. Mr. Clement: He would have got part of it.

Mr. Renwick: He might have got part of it. Yes, he would have got part of that now, that's right; but he might not have got anywhere near the loss he suffered. All right.

Now at least the McWilliams' report indicated that every automobile insurance policy issued in the Province of Ontario should carry mandatory collision coverage. Then Mr. Young's constituent, when he bought his policy, would have had to pay for the collision aspect of it and would have received his recovery.

The McWilliams report then goes on to rule out subrogation; except to the extent of the deductible portion of it, so far as I understand it, which was to say that your own insurer insures you against collision and it's not to be determined with respect to fault or not.

I don't think that there is very much more in that field of automobile insurance that I won't probably have an opportunity to say next year, if I should be returned in the election; and I make that a very real "if," because nothing it sure in politics, as we will know on Thursday night.

Mr. Laughren: After Carleton East there won't be an election next year.

Mr. Renwick: We will have an opportunity, because I would suggest that either myself or the person who succeeds me in this particular role of criticising this ministry —or the Liberal Party, if we come back sitting in opposition, whoever is their critic —will be saying the same things we've all been saying. Elmer Sopha said them for many years; all the members of your committee back in the Sixties were saying the same things; but nothing ever happens. Little minor, patchwork pieces of Band-Aid are supplied to the system and you bow every time to the vested interests, every single time.

Mr. Singer: Mr. Chairman, the member for Huron-Bruce (Mr. Gaunt) has agreed to let me come on in his stead. I just want to finish this, if I may.

I think the member for Ottawa West (Mr. Morrow) was on that committee and the minister, I think, gave himself away when he asked about the bona fides of the select committee that sat in the early Sixties—in the late Fifties and the early Sixties.

Hon. Mr. Clement: I didn't say that.

Mr. Singer: I got the impression that you wanted to know about the bona fides of the committee.

Hon. Mr. Clement: No, I didn't. I have to object to that, Mr. Chairman.

Mr. Singer: It was as strong a committee as ever—

Hon. Mr. Clement: On a point of order, Mr. Chairman.

I didn't question the bona fides of that committee at all. I wondered who was on it. I don't know who is on it off the top of my head; but I didn't question the bona fides of it.

My good grief! You've told me for four years that you were a member of it and I have never questioned your bona fides. I've often been an admirer of your bona fides.

Mr. Singer: Thank you. I admire your bona fides too, but I don't admire your inaction.

Let me ask the minister a simple question, I—

Mr. Renwick: I often wonder, sometimes, where you get your bona fides.

Mr. Singer: One thing I've whirled away at for a number of years is the concept of gross negligence. Going back to Hepburn's time, when he decided that no gratuitous passenger should ever be able to collect a judgement, we finally, after committee reports and arguing backwards and forwards, got something written in again called gross negligence. Many of us have been wondering, really, how long that ancient, mysterious and undefinable concept is going to remain in the law, particularly in these days of universal insurance.

The minister's predecessor, the present head of the Treasury Board, one day, in a moment of recklessness during these estimates, said: "We'll take it out." Well, it's still there.

I wonder if the minister, who in his day as a lawyer must have had to agonize about that concept, is prepared to say he'll take it out; and this time perhaps take it out.

In addition—I think the question was posed earlier by the member for Riverdale, and it was posed by myself as well—why don't we have compulsory insurance? Surely it's just a short step? Do away with the payment and the fund.

Could you start out a couple of things like that soon, like next week or so, and give us a couple of amendments to the Insurance Act with these things? And the Negligence Act?

Mr. Chairman: The member for Huron-Bruce.

Mr. M. Gaunt (Huron-Bruce): Mr. Chairman, I want to raise a matter with the minister in relation to insurance. It's not automobile insurance but it is insurance. It's a matter with which I have had considerable difficulty.

I've dealt with your Mr. Thompson. He's been very good about it, but we still haven't got the matter resolved. It's been going on for some months, as a matter of fact it has been going on for over a year.

I raise the matter with the minister because I think, basically, we are talking about an amendment to the no-fault insurance Act. There seems to be some ambiguity about the Act and in this particular circumstance the company, in my view, is taking advantage of it. Let me outline the circumstances and the details as I understand them.

In May of 1973, this gentleman was driving home from work. He had a general contracting company, and he was driving home from work and was killed in an automobile accident. He had a policy with a company in this province. It's a very reputable company; I won't mention the name of it, but I can give the minister the name of the company privately if he so wishes. But he had a policy with the company that indicated that the spouse as the head of the household would get so much money—I think it was $5,000. There were three children in the family and so the total amount payable, under my definition of the terms of the policy, was $8,000. The company said to his wife: "No, you get $2,500 because you have the higher income." So we got into a great hassle about the language of the statute and the language of the insurance contract.

As I understand it, the statute says that the spouse of the head of the household shall be deemed to be the spouse with the lesser income in the year preceding the date of death. Now, that particular definition leaves two points at issue. The first one is the lesser income. It doesn't say whether it's net income; it doesn't say whether it's gross income; it doesn't say what deductions are allowable if it is net income. The other point is the year preceding the date of death. It doesn't say whether it's the 12-month period immediately preceding the date of death, or whether it's the calendar year preceding the date of death. And so we got into a great hassle about how this particular payment should be made. As a matter of fact, it isn't resolved yet.

Mr. Chairman, I make the point with the minister that there are some points at issue here. As far as I am concerned, the intent of the policy, and certainly the intent of the policyholder, was that his wife should be paid $5,000 and $1,000 for each of the children upon his death. I think that was the intent. I don't think they ever thought for a moment that there would be any hassle over that point.

I point out to you, Mr. Chairman, that the head of the household—the man in this case—had a gross income of $9,656.29 for the immediate 12-month period preceding his death; his wife had an income for the same period of $7,324.40. But when the company starts taking off overhead expenses, depreciation, and five per cent for the operation of the vehicle in the business, it brought it down to $6,080.63 as opposed to $7,324.40, which meant that the woman had the higher income in that particular period.

It seems to me, Mr. Chairman, that that's against the intent of the Act. If the minister feels that there is some ambiguity there, then I think the Act should be amended, because in my view, particularly in this day and age with so many women working, it would be very easy for problems to arise.

Let us say the man was an executive and he was earning $24,000 a year; the woman was perhaps working and was earning $12,000. But let us say that the man happened to take ill for a period, say six months, and thus was in the position where during the calendar year he had a lesser income than his wife. If he happened to go out on the road and was killed, under those circumstances the company would say, "Sorry, but we pay you on the basis of $2,500", because obviously the man would be the spouse in that case because he was earning the lesser income.

It seems to me that this kind of thing should be corrected, and until it is corrected I think the minister has an obligation to make it very plain to these insurance companies that they are negating the spirit of the Act when they engage in this kind of thing.

Mr. Chairman: Do you want to answer at this time Mr. Minister?

Hon. Mr. Clement: Thank you, Mr. Chairman. I would refer firstly to the observations offered by the member for Welland South. In the case cited I understand the constituent wrote to us within the last few days and the matter is being looked into right now. The increase being asked is, I believe, some 121 per cent. If he will write to me and give me particulars of anyone paying a rate increase 200 or 300 per cent over the previous year I will be glad to look into it to see if, in fact, any such increase is warranted.

The constituent wrote to the member for Welland South. He did his computations on the basis that the increase would be applicable over a five year period. The constituent's understanding is incorrect; it is, of course, over a three-year period in most instances and in some instances only over a two-year period.

The reference the member for Riverdale made—and I wasn't aware of this; the superintendent drew this to my attention—the reference made about the reduction of 35 per cent was looked into by my staff at the time of that article in August. You quoted it and it was a misprint. It should have read 15 per cent.

Mr. Renwick: Well, even 15 per cent!

Hon. Mr. Clement: I just thought you might be interested in those statistics, and you can correct it on your copy there.

Insofar as the no-fault provision—

Mr. Renwick: I am interested. Mr. Welsh writes some good articles.

Hon. Mr. Clement: Pardon?

Mr. Renwick: The reporter on the Globe and Mail who writes on insurance matters—

Hon. Mr. Clement: Mr. Welsh?

Mr. Renwick: —is quite informed.

Hon. Mr. Clement: Sure he is. You talk about how you see my role in referring to the discussions of no-fault. I'm very fortunate that I have what I consider to be a very valuable tool in my ministry, namely an insurance advisory committee, and various submissions and observations have been coming in to us, not only from those different groups that we have been referring to here today, such as the Advocates' Society and so on, but from some pretty bright individuals who have an interest in this particular matter.

I will be taking no steps whatsoever until I have an opportunity to consult with my advisory group, on which is Prof. Linden, Allan Leal, the chairman of the Ontario Law Reform Commission, and also Mr. David Griffiths, a member of the Advocates' Society. There are industry people on there and there is consumer representation. I have found in the past that their input collectively has been very valuable, and I put that information before the House because I think it is of some value and perhaps of some interest to the member for Riverdale.

My friend from Downsview asked about compulsory insurance. If I thought that you wouldn't be so hard on me in the future I'd be inclined to go on record right today and say. "That's where we are going to go."

Mr. Singer: I'll give you a gold star for that.

Hon. Mr. Clement: You'll give me a gold star for that and I'll bet I get this back in spades at some future time. I think compulsory insurance is the eventual point where we must arrive. We can never get to the point where we can abolish a motor accident claims fund completely.

Mr. Singer: I couldn't agree more. You are absolutely right.

Hon. Mr. Clement: We have to retain that for reasons that are well known to members of the House. No one can argue with me that you should abolish it because there will always be those who insist on driving—

Mr. Renwick: The thief and the hit-and-run driver.

Hon. Mr. Clement: Yes, the thief and the hit-and-run driver and all those sorts.

Mr. Singer: And the law breaker.

Hon. Mr. Clement: I sympathize with the man who suffered some damage to his vehicle, as referred to by the member for Riverdale. The defence of inevitable accident has been a tort defence handed to us down through the English common law for hundreds of years. Tort always indicated—as I understood tort law—some culpability, some wilful negect. If one was robbed of the ability to form a wilful neglect through an act of God, such as a heart attack, then he should not be held liable for his actions.

Mr. Renwick: But if your colleague, the Minister of Health (Mr. Miller) has his way, we will all be to blame.

Hon. Mr. Clement: I can't say that the defence of inevitable accident is right or

wrong. I make no apologies for it. It is a fact of life. Had the unfortunate victim of that accident had his own collision, he would have recovered there. Unfortunately, I presume, he didn't and he has to bear the loss. It is difficult to advise a person and tell him that, if you are being consulted, he has no recovery. There seems to be a feeling the way the law is today there is always recovery for every wrong. This is not true and it was recognized some years ago with the Criminal Injuries Compensation Board being set up so that people could get at least partial recovery.

The member for Huron-Bruce touches on a matter that I believe we discussed some time ago. If my memory serves me correctly, I think you had in your constituency two somewhat identical cases and within a short period of time. Is this the one that Mr. Donnelly was—

Mr. Gaunt: That's right.

Hon. Mr. Clement: All right. I know the case to which you refer. As a result of our telephone conversations and some exchange of correspondence some months ago, the superintendent became involved. We share your concern that we think that someone who is taking too strict an interpretation of the definitions and the wording and that type of thing, as described by you, probably deserves criticism and probably the definition should be extended or clarified. However, I have been advised here today, and I didn't know this until today, that apparently a compromise has been worked out between the solicitors involved and the matter has either been resolved or is in the process of being resolved, arising out of that matter that you made reference to today.

We run into a number of problems, particularly pertaining to automobile insurance coverages. But you must remember that there are over 2½ million policies in effect in Ontario and we receive relatively a small number of complaints, by and large. I think the industry, substantially so, is being responsible. There are these matters that come to our attention, and quite rightly so.

I invite the members of this House—those who are shy and afraid to write—to let us know of matters they don't think are equitable and we will look into them. Like anything else, we can't guarantee 100 per cent results, but we will look into them to see if the consumer or the victim, the person who is entitled, is in fact being handled in a responsible way. If they are not, then we will make it our business to attempt to make the industry react in the proper way.

I think those are the only comments I have at this time in response to those other remarks, Mr. Chairman.

Mr. Singer: What about gross negligence?

Hon. Mr. Clement: As to your comments pertaining to gross negligence, that's under the Highway Traffic Act, is it not?

Mr Singer: And the Negligence Act and the Insurance Act.

Hon. Mr. Clement: I have made certain representations in writing to my colleague, the Minister of Transportation and Communications (Mr. Rhodes), dealing with gross negligence. I am not at liberty to go any further at this particular time. You have got quite enough today. Look how nicely I have treated you in dealing with my comments with compulsory insurance, and here you are asking for more and more. You remind me of the beadle out of "Oliver."

Mr. Chairman: The member for Huron-Bruce wants to speak on the same subject we were on before. Then the member for Nickel Belt.

Mr. Singer: If I am here for another 50 years, maybe we'll get the Insurance Act amended.

Mr. Gaunt: Just to respond to the minister's comment about the matter being resolved, the minister knows that Mr. Donnelly did take the matter to examination for discovery and certain things were clarified at that time.

However, there were really three things in contention, as it turned out. First, what was viewed to be a year under the terms of the statute and under the terms of the insurance contract? Was it the 12 months preceding the death or was it the calendar year? That was one. Mr. Donnelly, acting on behalf of his client and the insurance company, came to an agreement that they would take the immediate 12-month period preceding the death.

The other thing was income, whether it should be gross or net. The company went out on that point; they said it should be net and that the deductions which they took were actually legal and were perfectly reasonable under the circumstances.

Then there was the matter of whether the farm income—he was also a farmer—should be charged to his income solely or whether it should be split, as the farm was jointly held. So the company agreed that the income

should be placed to the credit of the deceased because he had always claimed it under has income tax.

So what actually happened was that when they got down to horse trading the lawyer and the company agreed that the client should be given two out of the three. In other words, Mr. Donnelly won two points out of the three which were in contention. So the company said: "Okay, we'll give you $6,500—two-thirds. We'll saw it off at that point and we'll pay for the legal fees incurred by the client."

I had a very difficult time in this because I'm sort of in between the lawyer for the client and the lawyer for the company. I keep running back and forth and then every once in a while I give your Mr. Thompson a call. He is in a very difficult spot, too, because we are trying to operate within a framework that is somewhat difficult because the lawyers are at both ends and we're in the middle.

But I met with the lawyer for the company and the company also agreed to pay the interest that the client had incurred because she had to borrow some money while waiting for the payment from the insurance company. That amounted to only $200-odd and really wasn't that much.

So that is where it sits. The client says: "No, I'm not prepared to take that; I think I should have the full $8,000." The company says: "Well, we've gone as far as we can. We are prepared to pay you what amounts to about $6,800." And that's it. We are at an impasse, so the matter isn't resolved, unfortunately.

Hon. Mr. Clement: Just in conclusion, as the member got on his feet I did receive a note from one of my staff saying the ministry is still in contact with Lloyd's—I believe that is the company which is involved—or Dominion of Canada. They are still in contact with them. We are very sympathetic to the views the member has expressed on behalf of his constituent. I have nothing further I can add. I have no personal involvement in it other than our initial discussions and the correspondence the member was good enough to forward to me.

So what the member is saying is that if it is not clear, it should be drafted in such a way or guidelines prepared in such a way to clarify it, which is a perfectly reasonable request.

Mr. Chairman: The member for Nickel Belt.

Mr. Laughren: Thank you, Mr. Chairman. I'm sure the minister is aware of the publication Stone and Cox which lists the insurance premiums for the various insurance companies for different kinds of coverage. I am wondering why his ministry, particularly in terms of the consumer aspect of his ministry, does not publish a Canadian equivalent to it, because I know most insurance policies are virtually incomprehensible to the average person. He really doesn't know exactly what he's getting. You would have to be a Riverdale lawyer to really know the difference between the various insurance policies and to know whether you're getting the same kind of coverage for the same kind of premium dollar.

Mr. Renwick: What does the member mean by a "Riverdale lawyer"?

Mr. Laughren: I'm wondering why the minister doesn't take it on to himself to publish a document like that from within his ministry.

Hon. Mr. Clement: The publication is well known to me, Mr. Chairman. It would be an additional expense and a duplication, because it is a Canadian publication that indicates the premium for age—so many dollars per thousand, age 35, 36, and so forth. I can quite understand that there are those among us who do not understand what it says up at the top: "non-participating income, annuity added"—and this sort of thing. I can understand that, because it is involved.

Some of the companies within the industry are starting to, themselves, put forward comparative briefs. I don't wish to incur the expense of publishing something as involved as Stone and Cox. The last edition I ever got was quite thick, and I suppose there are 100-odd companies in it. There are certain publications written by laymen available at a very modest charge for the consumer to read on how to buy life insurance; which is what Stone and Cox deals with. So, I have never explored the possibility of my sitting down, or having the ministry sit down, and say: "If you want this type of plan, here's the cheapest company to buy it." Stone and Cox, I presume, is self-explanatory.

There are insurance counsellors and there are lawyers and there are bankers. Many people take their business advice from those kinds of people. Others seem to take it from their neighbours. In my experience, they often take it from people who know less than the persons taking the advice. It is an involved thing to know the phraseology. If one

is confused, or one is in doubt, then I think he should seek some advice through his financial adviser, his neighbour, his banker, his lawyer, and find out what it is he wants.

An hon. member: Not his lawyer.

Hon. Mr. Clement: Because the greatest confusion I ever had in dealing with life insurance, as a consumer, was to hear the virtues of the various packages put forward to me. I soon learned to ask an agent for a quote on a person aged X number of years of age wanting such and such a coverage—and forget about the waiver of premium and all those little goodies that flow along behind it. Because then, it simplified it for my eyes, and I was able to compare company A, company B and so on.

Mr. Laughren: It's not as simple as that in that Stone and Cox isn't a layman's publication and also, Stone and Cox in recent years is not making it as clear as they should be. As a matter of fact, Stone and Cox, in my opinion, is not as good a publication as it was five years ago when it did give clearer facts in terms of comparing the premiums for the different insurance companies.

What I'm thinking of is a smaller booklet that would allow groups to subscribe to it. For example, a trade union could subscribe to it for its membership, or your own employees in the civil service could have access to this booklet so that people would not have to go and contact a lawyer. You could even have a requirement that insurance agents had to show it to a potential buyer before they sold him insurance, because you and I both know that the average person, when he's under the gun from an insurance agent, isn't going to consult a lawyer. He just doesn't do it. There's the expense—

An hon. member: He can't afford it.

Mr. Laughren: —and there's the time involved. The insurance agent ends up selling that man or woman insurance and they don't have sufficient knowledge about it. I don't understand the minister's reason – that it would be too expensive for the ministry and he would be using tax dollars for it. He would be protecting those same consumers who he is worried about having their tax dollar wasted. I don't think that argument makes sense.

Hon. Mr. Clement: I don't want to carry this on without determination. But I suppose if I took the position that okay, we will publish a document dealing with insurance, then I would have to do the same for every other consumer service and commodity over which we have jurisdiction. Then, in effect, I would see my ministry as being the selector for the consumers of the service or the type of goods that one would want to buy. I don't see myself in that role.

I think there is an onus on most of us to find out as much as we can within our limits, and I don't think you will disagree with me on that. My experience has been, in dealing with things like insurance which I concede very often are very complex, that if we made it the law of this province that one had to wave a ministerial document under somebody, or they had to show them Stone and Cox, in many instances the consumer wouldn't know what it was anyway.

He would say, "I want to buy a $5,000 or $10,000 policy. How much is it going to cost me?" And that's really, in many instances, as far as he really wants to know. You and I know and many people who are interested in it know that you can shop for insurance like anything else and there could be savings effected.

Mr. Chairman: The hon. member for Thunder Bay.

Mr. J. E. Stokes (Thunder Bay): I have a brief comment I would like to make. Notwithstanding the assurance that the minister gave to my colleague with regard to the task force and the advisory body that you have got, and that you're waiting for the evidence to come in before you make any material or substantial change in automobile insurance, I'm sure all members of this Legislature have, from time to time, had communications with your superintendent of insurance, Mr. Grundy, and I know he reacts very positively to anything that I send to him.

By and large, as a result of the representations that I have made to Mr. Grundy, and his representations to the company, we have been able to resolve it, certainly to the satisfaction of the insured. But what does this say for the kind of insurance policies that are being written today, and the unwillingness of the insurer to settle out of court in a fair way without going to some form of arbitration or something like this?

I could talk here all afternoon about specific cases. I'm not going to. But as a result of the representations that are made on behalf of buyers of insurance, and as a result of representations made to various companies which are most reluctant to settle, surely you must have some people who are in a position to analyse the nature of the problem, the nature of the claim, the reluctance

of the insurance company to settle with a fairly straightforward case where they are, in fact, liable for compensating the insured as a result of the premiums he pays.

It is clear in my mind that after having made a representation and the company is more than willing to settle, it says something for the way that they conduct, operate and do their business, that on two or three occasions I have had the adjuster go to my constituent who is the buyer of insurance and say, "What did you take this up with an NDP member of the Legislature for? You know, that's real poison. You know what they do with unsatisfied claims. Why didn't you give me more time?"

"Well", the claimant says, "I've been waiting six months for you to settle the claim and I thought that was long enough so I turned it over to him."

Obviously I'm not saying all insurance companies are this way, but if the kind of workload that I get is an accurate reflection of all of the problems that are being brought to the attention of members of this Legislature, I think that you have enough evidence to indicate there are certain companies in the automobile insurance field that make their living by selling short the consumer.

So I'm wondering, what do you do with the information on these cases that are brought to your attention? As a result of them, haven't you made up your mind that there are good companies and some bad ones that should clean up their act? Why do you need to wait for advice from the bodies you mentioned earlier when the evidence is already in, in many cases when it comes to the reluctance of some of these insurance companies to deal in a straightforward and in an honest way with their customers?

Mr. Chairman: Will the House leader move the committee rise and report?

Hon. Mr. Winkler moves the committee rise and report.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report progress and asks for leave to sit again.

Report agreed to.

PRIVATE MEMBERS' HOUR

CROWN EMPLOYEES COLLECTIVE BARGAINING ACT

Mr. Laughren moves second reading of Bill 46, An Act to amend the Crown Employees Collective Bargaining Act, 1972.

Mr. F. Laughren (Nickel Belt): Thank you, Mr. Speaker. This bill to amend the Crown Employees Collective Bargaining Act would accomplish two things. One, it would remove section 17 from the present Act, which outlines the exclusive functions of the employer; secondly, it would remove the prohibition against employees of the Crown going on strike.

Mr. Speaker, it is obvious that Ontario's civil servants are restless. They are resentful, and they are somewhat beleaguered. Civil servants are unhappy with their level of wages and with the legislation which governs their employment. And that resentment manifests itself in billboards which plead with Bill Davis to free them, bumper stickers which plead the same thing, and with media advertisements which refer to Bill Davis as a cheapskate.

Mr. B. Gilbertson (Algoma): That backfired though, didn't it?

Mr. Laughren: Not yet it hasn't, no sir. You'll find out what a back-fire is in Carleton East on Thursday.

Mr. Gilbertson: That is all the comments I hear—back-fired.

Mr. Laughren: Mr. Speaker, the Ontario civil service, which in the past has been known as the sleeping giant, is not just stirring, it's flexing its muscles and I can tell you that those tremors are disquieting. Pickets appear as though out of the woodwork wherever Bill Davis appears.

The community college teachers refuse to subject themselves to arbitration despite the fact that it is the law of the province. Civil servants refuse to use their own cars because of the mileage allowance that is paid to them. And so we have a continuing series of confrontations between the civil servants and the government of Ontario.

And in response the government behaves badly, if not stupidly. In the middle of the controversy over section 17, which deals with the exclusive rights of the employer, the Chairman of the Management Board (Mr. Winkler) stands up in this chamber and announces a unilateral decision, with no discussion whatsoever with the CSAO, to put a freeze on the civil service in Ontario. I don't

know how he expects to cultivate the goodwill of the Civil Service Association and his employees in the Province of Ontario with that kind of unilateral action.

Then a letter, dated Oct. 8 was mailed out to every civil servant in the Province of Ontario—as a matter of fact to some people who are not even civil servants—stating the government's reaction to the media campaign being carried out by the CSAO. When I asked the Chairman of Management Board this afternoon why he was doing that and did he not see it as a blatant attempt to subvert the collective bargain process, he called me naive and suggested that maybe I should be following the media and the campaign the CSAO is waging.

Well there's a slight difference, Mr. Speaker. The CSAO, since it presented its brief on June 11 to Management Board, has been trying to meet with the government. They had a meeting on July 23. Although nothing meaningful occurred at that meeting, it's not the fault of the CSAO and the civil servants in the Province of Ontario that there has not been meaningful negotiation since that brief was presented.

Now the Chairman of the Management Board claims that he is going to introduce changes to the Crown Employees Collective Bargaining Act this session. He has had no discussion with the civil servants in the Province of Ontario. He is again just going to bring in those amendments unilaterally. Instead of the amendments being something worked out in conjunction with the employees of the Province of Ontario, they will be brought in as a result of the government's unbelievably heavy-handed approach to labour relations.

The Chairman of Management Board's attitude takes me back to 1964 when in the Province of Quebec the Premier of that province said in response to the civil servants who were trying to obtain bargaining rights for themselves, that: "The Queen does not negotiate." Well maybe she didn't, but the following year the civil servants in the Province of Quebec achieved what they were after.

In Ontario we have a government which is haughty and arrogant. There was never any need for this legislation to have been introduced in the first place. There was no need for this kind of repressive legislation. It's strange, Mr. Speaker, that the same Premier (Mr. Davis), who regards himself as the saviour of Toronto's transit riders, hopes now to become the darling of a much larger constituency, namely the people in Ontario whom he thinks will rejoice as he stomps all over the employees of the Province of Ontario.

Well he may be ahead in the short term on the political balance sheet, Mr. Speaker, but as some of us know, a balance sheet can fix a situation at a given point in time, but as the weeks and the months and the years go by and increasing numbers of people in the Province of Ontario become alienated with the kind of labour relations conducted by the Premier, by the Chairman of Management Board, by the Minister of Labour (Mr. MacBeth), things will change. If the truth were known, it's not only the teachers, it's not only the elevator operators, it's not only the hospital workers and the transit operators, probably half of his own caucus are disenchanted with the administration.

Mr. Speaker, the Crown Employees Collective Bargaining Act as it now stands has a number of offensive sections, but probably the worst is section 17. That is why Bill 46, which stands in my name, deals specifically with that section and would remove from management the right to disallow certain working conditions, virtually all working conditions, being debated or discussed at the bargaining table.

Almost all non-monetary items are prevented now from being discussed. I will list them, because I think the members need to have their memory refreshed with the unbelievable list of things that cannot be negotiated: Employment, appointment, complement, organization, work methods and procedures, kinds and location of equipment, discipline, termination of employment, assignment, classification, job evaluation system, merit system, training and development, appraisals, superannuation, principles and standards governing promotion, demotion, transfer, lay-off and reappointment.

Mr. Speaker, that's the kind of management clause that would have made the robber barons of yesterday drool. When you take away a person's right even to discuss his environment in the work-place, you are surely demeaning that person, Mr. Speaker; and when you do that you cannot expect anything in return but resentment and even contempt. I have read some of the correspondence between the Chairman of Management Board and the Civil Service Association and it's there; the resentment is there. And it's there primarily because of the Chairman of Management Board's determination to deal in confrontation tactics throughout this whole dispute.

I can tell you that if Saul Alinsky was alive today he would be plotting the moves of the Chairman of Management Board on a graph sheet, he is that predictable. Surely, Mr. Speaker, in this day of universal education and rising expectations among those people who are better educated, the time has come when the Province of Ontario should be saying to these people: "We want you to have more of a say, not less, in the kind of conditions under which you are employed."

It's just not fair to people to say to them: "We want you to be well qualified in order to be employed in the civil service, but then we won't give you very much of a say in the kind of things that go on."

I am not talking just about fringe benefits and wages. I am talking about the kind of service that is delivered and the kind of goods that are produced, if they are involved in that as well. I believe that civil servants are responsible enough to bargain realistically and in good faith over the whole range of working conditions. Obviously the government does not believe that.

In Judge Walter Little's report in 1969 on collective bargaining he argued that a government should be a good employer. I would go even further and suggest that a government should be a model employer, one that the private sector could emulate. Whether the civil servant is employed in a government ministry, or a government agency or Crown corporation, surely that employee should enjoy working conditions which have been bargained for through the collective bargaining process, and not handed down by an arbitrary and paternalistic employer.

An employer who manipulates his employees for short term gains is offensive in any case, but when that employer is the government itself, I would suggest it is time to change the employer and put him right out of business.

Surely we must put an end to the kind of master-servant relationship that permeates the work-place now, and which is a carry-over from days gone by. Who better to set the tone for a new kind of environment in a work-place than the government.

The loss of human potential because people are not allowed to develop and grow in their jobs cannot be calculated. There is no reason why the government couldn't be leading the way in this respect. I would suggest that the government should remove section 17 from the Crown Employees Collective Bargaining Act and demonstrate its confidence in the civil servants who have served so well these many years.

Besides restoring those working conditions to the bargaining table, Mr. Speaker, this amendment would allow civil servants the right to the entire collective bargaining process, including the right to strike. I do not believe that right would be abused by the civil service in Ontario. I believe that if essential services were threatened the civil servants, through their bargaining agent the CSAO, would respond by ensuring there would be no threat to public health or safety.

I realize the pressures on a government as an employer. The government must be the guardian of the purse strings; the government must be a good employer; and of course the government must ensure that people's taxes deliver to them the services for which they are paying. I see no conflict in these three pressures upon the government as an employer.

I don't believe the public wants its civil servants to be working under repressive legislation; I don't believe the public wants its civil servants to be denied the right to free collective bargaining; and I don't think that they want second class citizens delivering the services for which they are paying through their taxes.

I suspect an agreement that is hammered out over a bargaining table is always going to be more satisfying to employees than an award handed down by compulsory arbitration. I am sure if an award is made, even if it was equal to one that was won through negotiations, the employees would not be as satisfied, because a compulsory arbitration award is going to leave a bitter taste in the mouths of those employees.

I believe that is inevitable. I was reading some of Prof. John Crispo's essays on labour relations in the public sector and he was saying that this was bound to be the case, that unless employees have access to free collective bargaining they will not be satisfied with an award.

There are several reasons, Mr. Speaker, why employees demand the right to strike. One reason, of course, is that they have a feeling that unless they have the right to strike as a threat, or as a weapon, a tool, they will not get the same kind of collective agreement as if there is compulsory arbitration.

They also feel—a gut feeling I think—that the right to strike is something which everyone has the right to in this province. As

long as there is no threat to public health or public safety there is no reason why they should not have that right to strike. When you think about it, Mr. Speaker, why should an employer decide to compromise if the end of the route, when the talks break down, there is compulsory arbitration?

I was reading some material from the United States. This didn't come from the United Steelworkers, but it came from a publication called the "Guild Practitioner", a legal journal from the United States. Some consultants named David Gordon and Joseph Persky and associates were writing on the economic consequences of strikes on steelworkers, and the right to strike in the basic steel industry. I'd like to quote what they say:

> Without the right to strike, labour economists agree, the ability of workers to affect their wages and working conditions would be seriously crippled. Without being able to strike to strengthen their position, workers would be forced either to succumb to management's position or in the long run, to resort to social disruption and violence.
>
> According to the economic literature, the strike provides a mechanism, the only possible mechanism, through which the rhetoric and bluff of bargaining across the table is replaced by a credible test, of both union and management positions.
>
> It is reasoned that it would be involuntary servitude to deny workers the right to strike. Moreover, it is argued, without the right to strike unions, could not really operate as unions because they would then have no effective power to compel the employers to bargain.

Well I think that says a lot about the attitude of the trade union movement. By the way, Mr. Speaker, in that particular case 2,000 steelworkers laid a class action against their own union and against the steel industry for negotiating a series of no-strike contracts. The statistical information is there which indicates that the employees invariably get hurt when they either do not have the right to strike or do not exercise it. So it is not hard to understand why employees insist on the right to strike.

I know the arguments against giving civil servants the right to strike, Mr. Speaker. There is the job security argument; that since civil servants enjoy job security, that that should be sufficient to them. The argument that they perform an essential service is used; also that they should dedicate themselves to public service.

I think those are very weak arguments. Because job security without dignity is not worth it. I think also that the vast majority of jobs in the civil service are not essential; and I refuse to believe that the public in Ontario would be traumatized by the thought that some of the civil servants in the province would be given the right to strike, and even exercise it if they had to.

I don't know how we can expect an employee to be dedicated if he performs his job with a sense of injustice always simmering in his mind. I know the government has promised to introduce amendments. I would urge them to discuss those amendments with the civil service before they bring them in. They should do two things: Remove the management rights clause and give the civil service the right to strike.

While they are at it—I know this bill doesn't deal with it Mr. Speaker—the Chairman of Management Board should take a close look at the Public Service Act which denies civil servants the right to engage in political activity as well.

In closing I would say that all I am asking is that the government treat civil servants as equals; allow civil servants to negotiate all working conditions, and provide them with real collective bargaining in the Province of Ontario.

I believe that as long as there is oppressive legislation we are going to have people who are oppressed under it; and it's not necessary. This government should cast off its master complex and stop treating its employees as servants, because the real problem, Mr. Speaker, is an attitudinal one.

Mr. Speaker: The member for Prince Edward-Lennox.

Mr. J. A. Taylor (Prince Edward-Lennox): Mr. Speaker, I rise in opposition to Bill 46, An Act to Amend the Crown Employees Collective Bargaining Act, 1972.

The question of labour relations is an important internal issue, not only facing Ontario but indeed Canada and the whole of western democracy.

"It presents the question of the fundamental reconciliation of the working population with its economic, social and political leadership." So concluded the late Mr. Justice Ivan C. Rand who, members of this assembly may recall was instructed under order in council of this province in the year 1966:

To inquire into the means of enforcement of the rights, duties, obligations and liabilities of employees and employers, individually and collectively, with relation to each other and to the general public or any individual or section thereof; and the use of strikes, cessations of work, lockouts, picketing, demonstrations and boycotts, whether lawful or unlawful, in labour disputes; and to examine the use of and the procedures for obtaining injunctions in relation thereto, and to report thereon and make such recommendations as he may deem fit to the Lieutenant Governor in Council.

A part of the intensive two-year study and commission report concerned itself with the subjects of public employment and essential industries, businesses or services. In my view, the conclusions and recommendations made public on Sept. 4, 1968 are even more relevant today.

After pointing out that the permanence of economic security in terms of annual income, pensions, insurance and other benefits demonstrate the life outlook that has supplanted the day-to-day concern, the commissioner also remarks that this desideratum in employment is most fully satisfied in the public sector. This permanence of security should be taken into account in public collective bargaining.

Mr. Speaker, permit me to quote a few short passages from the Rand report, which distils as purely as possible a point of view to which I personally subscribe.

The phenomenon in public service that is becoming clearer each day is the commitment of vital public functions to a rapidly increasing number of small minorities and the equally rapid expansion of community dependence on their faithful performance. When individuals or groups voluntarily undertake these responsibilities they enter a field of virtual monopoly. The community cannot secure itself against rejection of those responsibilities by maintaining a standby force which itself would be open to a similar freedom of action.

Our society is built within a structure of interwoven trust, credit and obligation. Good faith and reliability are essential to its mode of living, and when these obligations are repudiated, confusion may be the harbinger of social disintegration.

Claims of the class under consideration, in the context of our democracy, although of importance to the individual, have an impact on the public interest out of all proportion to that importance, and their consequences to increasingly larger segments of the community soon become intolerable.

It is the community that recognizes the social necessity of reconciling total interests, including that of the individual; and it is that recognition which is distorted at times by arrogant individual or group dictation. Ultimately it is going to be the community, through its supreme authority the Legislature, which will determine the limits.

But we can't have a special legislative assembly whenever such a dispute arises. Generally speaking, in Ontario it can be said that in public employment, arbitration has so far proved reasonably satisfactory, and that in certain cases the fact that it is compulsory does not detract from the quality of its results.

One advantage in the public over the private field lies in the fact that the latter furnishes criteria which assist arbitration, by analogy, to effect a broad uniformity. This does not mean that uniformity is always and necessarily justifiable, but a relative consistency renders it substantially unobjectionable.

A strike for better terms than such criteria relatively set would be a challenge to government which, as a last resort, calls for acceptance and the exercise of the power of government in resistance to it.

In public employment strikes, as for example school teaching, the object is directly to coerce concessions from the public through taxation by the deliberate throwing into disorder of an essential public function—denying to children the training that is vital to the cultural standards of our civilization. That school teachers should be remunerated suitably to their function is not questioned; but that any such group should be permitted, by such means, to compel the public to submit to arbitrary demands is repugnant to democratic government.

In the United States, where the widest freedoms are the constitutional foundations of its policy, there has never, so far as searches have revealed, been a recognition of the right to strike in government services. Under federal law a person who engages in that conduct is guilty of a felony and is liable to a fine of $1,000 or to imprisonment for a year or both.

Mr. Laughren: How about Canada?

Mr. Taylor: Quoting:

> As a result of the strike of teachers in New York last year, the president of the teachers' association was sent to jail and the association was fined $150,000.

Mr. Laughren: Why doesn't the member quote a Canadian situation?

Mr. T. P. Reid (Rainy River): The member should have read that speech over before he came in here.

Mr. Taylor: The report goes on to say:

> A strike in the public service is directly against the public, and it is obviously open to the action of that public to withhold its benefits from or its protection of the violator. This could extend to a resort of centuries ago—outlawing—by which a person was divested of civil rights. But to a civilized community that is fundamentally impossible, and we are forced to seek other means of minimizing economic and social inconvenience and disruption through an abdication of duty.
>
> The public contribution to pensions, unemployment insurance, health and welfare services, education and other reliefs and assistances is too great today to justify serious charges of the betrayal of any group. There is no justification in the field of public employment for a refusal of settlement of disputes in a manner similar to the innumerable conflicts, many of them of far greater individual concern than the economic claims of public employees, which are being decided every day in our courts and other tribunals.

The report concludes that employees in an essential industry, business or service, which has been so declared by the Lieutenant Governor in Council, may not strike, and if already on strike must immediately return to work under penalty of fine.

In my opinion, the heart of the report is the recommendation that an industrial tribunal be established. This new tribunal would supervise the workings of a proposed new Act. It would inquire into the facts of any labour relations matter, sit a a board of arbitration on labour disputes, and have the authority to issue injunctions, orders and declarations of strike termination.

The bill before the House today, if passed, would place all matters on the bargaining table as the subject matter of negotiation. No item would be considered the exclusive function of the employer. Employees in the public service would have the right to strike.

While I am of the opinion that the widest possible range of subject matter should be open to the parties for review, nevertheless, I am convinced that it would be a retrograde step to acknowledge the right to strike in the public service. Some new system must be found to resolve labour disputes and I think we should look very closely at the Rand report in this regard.

While some might consider the views of the columnist Richard J. Needham extravagant, if not extreme, I commend to the hon. members a recent series of articles entitled "The Wages of Irresponsibility." These articles point to the public confusion between wants and needs; the insatiable appetite for more and more, now; the trend toward the institutionalization of equality and self-indulgence. We are developing an inverted society in which the emphasis is on consumption rather than production—a country so coddled by government that the less one strives and achieves, the better he is off.

Mr. Needham asks whether the people corrupted the politicians, or was it the reverse? He quotes William Ophals of Yale University as follows:

> By the standards of many of the men who founded our nation (and whose moral capital we have just about squandered), we are indeed a corrupt people.
>
> We understand liberty as a licence for self-indulgence, so that we exploit our rights to the full while scanting our duties.
>
> We understand democracy as a political means of gratifying our desires, rather than as a system of government that gives us the precious freedom to impose laws on ourselves—instead of having some remote sovereign impose them on us without our participation or consent.
>
> Moreover, the desires we express through our political system are primarily for material gain; the pursuit of happiness has been degraded into a mass quest for what wise men have always said would injure our souls.

I fear, Mr. Speaker, that participatory democracy has become a euphemism for self-interest. We must discipline ourselves to think more of public service.

President Franklin D. Roosevelt in 1937 stated:

> A strike of public employees manifests nothing less than an attempt to prevent or obstruct the operation of government until their demands are satisfied. Such action, looking toward the paralysis of government

by those who have sworn to support it, is unthinkable and intolerable.

Mr. Speaker: Order please. Can the member close down his remarks then, please. The time has expired.

Mr. Taylor: Yes. Reflecting on groups in this country who cavalierly reject any limitation on individual or collective action, the late Mr. Justice Rand said:

> What is lacking in their outlook is an adequate appreciation of the structure of this society; the powerful forces that operate in its functioning and the problems arising from its tensions.

Bill 46 merely manifests political posturing and the irresponsibility of its proposer. I cannot stress too strongly my opposition to it.

Thank you very much for your indulgence.

Mr. Laughren: Check out the western provinces and see if it is possible—

Mr. J. E. Stokes (Thunder Bay): Who wrote that for the member?

Mr. Speaker: The Leader of the Opposition.

Mr. R. F. Nixon (Leader of the Opposition): It is interesting that the original Crown employment bargaining bill went through the House at a time when the way was paved to some extent by a rather long and acrimonious garbage strike.

Mr. F. Drea (Scarborough Centre): Which the member's party wanted arbitrated.

Mr. R. F. Nixon: You may recall, Mr. Speaker, that the community did not oppose the government's position in any significant way at that time, although both opposition parties did oppose it.

I looked up the debate at that time and it's so good that I felt like reading it all into the record again. On May 9, 1972, I ended my remarks, sir, by saying as follows: "I say to you most sincerely, Mr. Speaker, that I believe it is wrong in principle and that anyone who supports it will regret it."

I would say to you this, that the way things are shaping up and the attitude expressed, not only by the government but by the spokesman for the Civil Service Association, does indicate that we're going to get into a regrettable situation as of Jan. 1. Sometimes when I hear the Premier respond to the threats of the civil service, I think that politically he almost welcomes such a confrontation.

I find this most particularly regrettable and of deep and considerable concern to all of us. We saw the news reports over the last two or three days of an illegal strike taking place in the Province of Quebec involving the firemen. Most people were very very seriously disturbed indeed that people with that level of heavy community responsibility would act as they did in that community and at that time.

These all conspire in many ways to reduce the level of public support for the position taken by the Civil Service Association in its recent pronouncements. Certainly, Mr. Speaker, we must take very seriously, as something considerably more than a threat, that if their demands are not met by Dec. 31, an illegal strike will take place in this province. The strikes were outlawed more than two years ago, but there will be a dislocating, protracted and acrimonious strike anyway, unless the government acts promptly, decisively and in good faith to restore order and reason to its own labour-management relations.

Clearly the provincial employees are not deterred by the fact that their strike would be illegal under present legislation. In fact, the compulsory arbitration aspect of the government's heavy-handed and insensitive bargaining procedure has intensified their current militancy. If the government acts now to modify its restrictive Crown Employees Collective Bargaining Act, then a strike can be avoided; otherwise an illegal strike appears to be inevitable.

I believe that the present statute, which became law on May 30, 1972, is unnecessarily restrictive. It is now apparent that the legislation is self-defeating, that rather than preventing strikes it has engendered a bitterness and frustration within the civil service that threatens to provoke a strike.

The arbitration provisions which leave a two-to-one built-in majority favouring the government and the exclusion of almost all conditions of employment except salary, are two areas that must be corrected before useful negotiations can continue.

One of those is dealt with specifically in the bill before us at the present time. In that one area, section 1, it does remove the unnecessary restrictions on the areas to be negotiated and opens it up widely to all matters, including the terms and conditions of employment.

I think the suggestion that the government should deal openly with representatives of the Civil Service Association before intro-

ducing the bill is an excellent one. As a matter of fact all of us feel like the employers of the civil service since we vote the money that pays them. It is the authority of this chamber that establishes the procedures for negotiation and, under the leadership of this government, compulsory arbitration. I would like to see a committee of MPPs established, as well as representatives of the Management Board, to meet with representatives of the Civil Service Association to see if we can iron out some of these things before the bill is introduced.

If this is not done, then the bill, of course, becomes a piece of holy Conservative writ which must be supported by all the backbenchers. This means that any flexibility that might otherwise lead to a settlement would become very difficult to achieve indeed.

The new legislation should establish free and open negotiations in all areas dealing with salary and working conditions for provincial employees. The new law must recognize, however, that certain employees of the government perform essential services which they cannot be permitted to withdraw by means of a strike or a walk-out. Specifically, police protection and certain other services, such as the basic care of patients in psychiatric hospitals, should be recognized by reasonable people as essential.

A joint committee, such as I have already referred to, should determine which other categories of employees would endanger the health or safety of the community at large if they were to withdraw their services and should provide for an efficient and fair arbitration procedure under those limited circumstances.

It is true, Mr. Speaker, that the right to strike could be left with all employees, with the power of this Legislature being brought into play if in fact a strike were to come into effect which in the wisdom of the Legislature was such that we felt the safety and health of any part of the community was in danger. But there is no doubt in my view that the police should not have the right to strike, and certain employees associated with the provision of health services should not have such a right to strike either. It should be understood, and it should be well established in our law, that such a strike would be illegal; but to spread that over all of the employees is irrational and disruptive.

There is no way that any essential characteristic can be associated with the people who work, for example, in the liquor stores—would the government be prepared to argue that?—or in many of the government offices where services, while important to the community, are not so essential that their withdrawal would endanger health or safety. As a matter of fact, the liquor stores could close down and improve the health and safety of the community.

During the last two years we have had experiences at the federal, provincial and municipal levels with strikes in the public service area. We have had illegal strikes among the firefighters at airports and by some hospital workers in this province and in other jurisdictions. Obviously the solution is not simply to put those people breaking the law as it presently is in jail. It must be recognized that if the laws are so constructed that broad categories of sensible people find themselves unable to obey, then we do not have the proper solution to the problems our laws are designed to solve—problems that have been with us in the past and are growing in intensity and in scope day by day.

This view is apparently shared by Senator Carl Goldenberg, who was recently appointed by the government as mediator in the Toronto Transit Commission labour dispute. He wrote last year as follows:

> Compulsory arbitration will not in itself eliminate strikes. . . .
>
> In Australia, where it has been in effect for many years, there are many more strikes and lockouts annually than in Canada. Its experience shows that compulsory arbitration does not prevent strikes; it only makes them illegal.

Now people like the next speaker from the Conservative side would, probably with some delight, throw large categories of people into jail. It will be interesting to hear what he has to say, because he can't wait until that clock gets around one more minute and he can start in again. It will be very interesting to hear what he says.

Mr. Drea: Stay around.

Mr. R. F. Nixon: Sure, I'll stay around.

Surely the government's objective must be to prevent strikes, not simply to make them illegal. In the present circumstances it appears that a civil service strike cannot be prevented unless the law is changed to provide greater freedom of negotiation and to restrict compulsory arbitration to employees whose services are essential.

The present advertising campaign by the Civil Service Association has emphasized this aspect even more than the financial issue, and I believe that it will be impossible for any reasonable negotiations to take place on

salaries and wages until the real feelings related to the method of negotiations are dealt with.

I personally don't believe their advertising campaign is having the desired effect to line up public support for their contentions, but that is a decision that they must make. If they want to buy large sections in the newspaper that says that Bill Davis is a cheapskate and so on, if they feel that furthers their position, well I suppose it's their money they are spending.

In my opinion, the demand for 61.5 per cent pay increase is unrealistic and inflationary and must surely be recognized as an initial bargaining stance only adopted by government employees.

I do not feel that there should be interference at this stage with the negotiations between the representatives of the workers—that is the executive—of the CSAO—and the Management Board of the province, which has the responsibility to bargain for the management side.

I simply say in closing, Mr. Speaker, that if the atmosphere of bitterness surrounding the Crown Employees Collective Bargaining Act is dispelled by the passage of new legislation, the salary demands would undoubtedly be modified by negotiations in the regular course of events. The alternative is heightened confrontation and resistance on both sides, and eventually an illegal strike which will cause hardship to citizens and taxpayers in every part of the province.

Mr. Speaker: The hon. member for Windsor West.

Mr. E. J. Bounsall (Windsor West): Thank you, Mr. Speaker.

We have in the Crown Employees Collective Bargaining Act the most regressive, repressive, anti-labour statute in the Province of Ontario and one of the most regressive in Canada. It denies the rights enjoyed by very similar looking employees in the municipal government sector and in Ontario Hydro. Many of these employees have the same type of function. In fact the way in which programmes are shared between the three levels of government, there is often very little to distinguish the municipal employee from the provincial employee. Yet they do not have the rights that these municipal employees have.

Chief Justice McRuer, in talking about the right to strike, said that if that right is taken away there must be compensating benefits. What are the compensating benefits that the Crown employees in Ontario get by having had the right to strike denied them in the spring of 1972?

The compensating benefits are, at the moment, a wage level that is 37 per cent behind comparable employees doing the same work in other jurisdictions. They have a management rights clause that is the most repressive and incredible statement of the rights that the employer has that I have ever seen in legislation.

If they have to go to arbitration to solve disputes, they have an arbitration board which is weighted two-to-one against them. In addition, if they have to deal with the public service labour relations tribunal, all three on it are appointed by the government. The Public Service Grievance Board, which makes binding decisions on grievances, has all 14 members appointed by the government. The Classification Rating Committee, whose function is to make final recommendations on complaints about job classifications, has all four appointed by the government, there is no employee representation at all. The Public Service Superannuation Board of four members has three appointed by the government and only one appointed by the employees.

These are the compensating benefits which the government of Ontario decided to confer upon its own employees, from whom they took away the right to strike.

Mr. Laughren: Save us from Davis.

Mr. Bounsall: Mr. Speaker, the very name of the Act, when it was introduced in 1972, is George Orwellian double talk: An Act to Establish Collective Bargaining for Crown Employees. It says you can bargain on wages but that you can't bargain on pensions and a whole host of other bargainable points that every other organized sector has.

Also, you don't have the right to strike and you have committees in all of these areas that are heavily weighted against you. It is not an Act to establish collective bargaining for these employees; it is an Act to deny real collective bargaining for these employees.

The section of the Act itself which my colleague would wish to amend—section 6, which indicates to the employees exactly what it is they would be able to bargain on—is paternalistic and presumptuous. They can hardly boast of an Act to provide collective bargaining when they outline what is bargainable. My colleague is right on in his bill when he says that section 6 should read: "Upon being granted representation rights, the employee organization is authorized to bargain with the employer on terms and con-

ditions of employment" period. There shouldn't be any phrases outlining what they can bargain about if this Act is to provide true and free collective bargaining.

Section 17(1), which my colleague would propose to be repealed must be repealed. There is no other clause like it in any other legislation, Mr. Speaker, where government says that employees are not going to be able to bargain over their superannuation. Superannuation has been bargained for right across the entire unionized sector of Ontario. Not only is the level of benefits bargained for, but we are well into the stage where employees talk to their employer about where those funds are going to be invested. Here in Ontario, according to this bill, the government won't even allow that.

I don't know why the government, with these excessively oppressive clauses, wants to create problems for itself. Anyone who has had anything to do with supervision of employees knows that most problems come when you have a dictatorial head making all the decisions on the things which are denied here. The only way to achieve real peace and real harmony is for the employees to have, if not the power to make the entire decision, at least a really meaningful input into the result which comes forward.

The complement, the work methods and procedures are areas the government takes as its sole right to decide upon. I can't think of anything more geared to create dissension among fellow employees than being told exactly how they are to do things and exactly when they are to do things, which is a government prerequisite here.

As to the kinds and location of equipment, if I were an employer I would want my employees telling me what is the best equipment and where it can be best located. I would want that kind of input, rather than deny them the right to say anything about it and deny the right so specifically as it does here.

Mr. Gilbertson: I never had the need of it.

Mr. Bounsall: Principles and standards governing promotions: Mr. Speaker, it's so repressive one hardly knows where to start talking against it. Again, one just creates far too many problems for oneself when one leaves that entirely to the whim of a particular person placed in charge of it— a particular person on management side placed in charge of it—and does not have this sort of thing talked about between management and worker, and a proper grievance procedure able to be followed because of the problems which arise.

I was kind of interested in the remarks which the speakers from the Liberal Party were making on today's bill, since they voted in favour of this original Act.

Mr. M. Gaunt (Huron-Bruce): No, we didn't. No, that is not so.

Mr. Bounsall: They voted in favour.

Mr. Gaunt: We didn't vote in favour of that bill.

Mr. Stokes: Yes, the members did.

Mr. Bounsall: They most certainly did—on May 8, 1972.

Mr. R. F. Nixon: No way.

Mr. Bounsall: The Liberal Party supported the government on this Act to establish Collective Bargaining for Crown Employees, in no uncertain terms.

Mr. R. F. Nixon: No way.

Mr. Bounsall: The Liberals supported the government on this.

Mr. W. Ferrier (Cochrane South): The Leader of the Opposition can't have it both ways.

An hon. member: He wants to have it both ways again.

Mr. Taylor: In one of his more lucid moments.

An hon. member: Yes, with his feet planted firmly in the air.

Mr. Gaunt: Is that the one that Charlie MacNaughton brought in?

Mr. Bounsall: That is the one that Charlie MacNaughton brought in and the Liberal Party over there stood up and supported him.

Mr. Speaker: Thirty seconds left, I might remind the hon. member.

Mr. Bounsall: Yes. I'll briefly indicate just how repressive this legislation is with respect to other governments, Mr. Speaker.

On the right to strike, only Alberta and Ontario have taken away the right to strike. Prince Edward Island looks to have been bringing in compulsory arbitration, but the whole bill there is much softer and it's working out.

All the rest of the provinces, in fact, have the right to strike. Saskatchewan, British Columbia—Manitoba has the commitment that they will give the right to strike—Nova Scotia and New Brunswick. Newfoundland has the right to strike in all areas except hospital workers, and civil servants still have the right to strike. There is a bill introduced at this point, but it will not be proceeded with.

Mr. Speaker: Order please.

Mr. Gaunt: A point of order, Mr. Speaker. The member said we had voted in favour of the bill. I call his attention to the record, which clearly indicates we voted against it.

Mr. R. F. Nixon: Mr. Speaker, it is page 88 of the Legislative Assembly Act of Ontario, volume 106; and certainly that is true. I said that in my comments earlier; I can't imagine how the NDP could be so ill-informed.

Mr. Speaker: Is the hon. member finished?

Mr. Reid: Consistently.

Mr. Stokes: On a further point of order. It was a member of the NDP who brought it to the Leader of the Opposition's attention.

Mr. Speaker: Objection sustained.

Mr. R. F. Nixon: Those two ought to get together over there.

Mr. Speaker: The hon. member for Scarborough Centre.

Mr. Drea: Somehow, Mr. Speaker, I imagine it is a form of ploy aimed at trying to cut into my time. I'm now down to eight minutes, Mr. Speaker. But in view of the rather inept performances—

Mr. Reid: The member doesn't say anything for the first 12 minutes, anyway.

Mr. Drea: Look, the member for Rainy River wasn't even here to vote on this bill it was put in. Now you check that one in the record, my friend.

Mr. Reid: Yes; I know where I was, Mr. Speaker. On a point of order—

Mr. Drea: Yes.

Mr. Speaker: Order.

Mr. Reid: I was attending an annual meeting of one of the many organizations that I represent.

Mr. Drea: Most important bill in the House, and he wasn't even here.

Mr. A. Carruthers (Durham): Where was the member?

Mr. Drea: Now, Mr. Speaker, if I can have some uninterrupted, peaceful decorum here, I shall point out a number of things that are the product of some rather faulty logic.

First of all, Mr. Speaker, for some minutes I've been listening with a rather bitter taste in my mouth about this concept that somehow the present Crown Employees Collecive Bargaining Act brings about heightened confrontation between the Civil Servants Association of Ontario and the government of Ontario. Mr. Speaker, when we say something like that—

Mr. Bounsall: Something is bringing it about.

Mr. Drea: I wonder what the confrontation is when you allow people to go on strike and they exercise their franchise. What is that supposed to be some kind of a picinic?

Mr. R. F. Nixon: Does he know what he is talking about? What is that all about?

Mr. Reid: His logic completely defies all understanding.

Mr. Speaker: Order please.

Mr. Drea: For a guy who wasn't even here for the bill, I wouldn't open it now. Mr. Speaker, there are two principles outlined in this bill this afternoon. The first one is—

Mr. R. F. Nixon: Seven minutes remaining.

Mr. Stokes: He is like Elizabeth Browning. When he wrote it, only he and God knew; now only God knows.

Mr. Drea: The Leader of the Opposition was here. I can never forget him that day; he couldn't make up his mind until the end.

Mr. R. F. Nixon: He said God not broad.

Mr. Drea: Mr. Speaker, there are two concepts in this bill. The first is whether or not the public employees of the Province of Ontario—because I suspect the author of this bill would include the public employees as well as the civil servants—should have the right to go on strike against their employer.

The second is the ability of the public employee to negotiate his working conditions. I would like briefly to discuss both of them.

First of all, Mr. Speaker, it seems to be an outrage that in this Legislature in the year 1974, when all across Canada, all across

this province, people want to avoid the confrontation, the waste, the dreadful personal toil that strikes take, we are here in the Legislature with one party saying: "Let them go," and the official opposition saying: "We don't know if all should go, but let some of them go."

Mr. Speaker, surely if there is to be an improvement over the present dismal industrial relations record in the Dominion of Canada, I would suggest to you that—

Mr. Reid: What is the member's alternative, compulsory arbitration?

Mr. Drea: —at a critical time in the economy of the western world, when we still tolerate the strike because we cannot come up with a better answer as a normal day-to-day weapon, Mr. Speaker, I suggest to you that that kind of thinking is not only redundant, but is indeed an insult to the people of this province. Because where else can they look for ideas but to this Legislature? If they can't listen to and look to this Legislature, Mr. Speaker, then I suggest to you we have been found wanting.

Mr. Reid: The member would have been better off in doing what his colleague did and have somebody write his speeches for him.

Mr. Drea: Mr. Speaker, I am not the devotee of compulsory arbitration—that is the Liberal Party over there.

Mr. Reid: What?

Mr. Drea: What! I sat here during the Toronto garbage strike and day after day the Liberal's deputy leader—the member for Downsview—with the member for Rainy River patting him on the back—kept saying: "When are you going to arbitrate; when are you going to send them back to work?" Then he stands up today and says: "I do this with misgivings;" or something else. Every time the crunch comes he wants us to send them back to work.

Mr. R. F. Nixon: I have no misgivings. The only misgiving I have is that I have to listen to the hon. member for another five minutes.

Mr. Speaker: Order please.

Mr. Drea: Well, I had to listen to the hon. member's rather poorly ghosted script. Either he had better get a new writer or he should put new ideas in it.

Mr. R. F. Nixon: Never. I wrote that myself.

Mr. Drea: I would suggest to the hon. member that if it was ghosted, they should have stayed down last Thursday night.

Mr. R. F. Nixon: Oh geez, somebody saw me last Thursday night.

Mr. Drea: It was Hallowe'en.

Mr. Stokes: He was just masquerading.

Mr. Drea: Mr. Speaker, every time we have a strike in an essential service in this province, whether it is garbage collectors, bus drivers, hospital employees or even a non-essential service, involving for example elevator constructors, which really becomes essential because nothing has been done for six months—in all of these things there is one constant in this Legislature. First of all, I give them full marks for it: The New Democratic Party are totally opposed to compulsory arbitration under any circumstances, and I admire them for it. I don't agree with it, but I admire them. They're consistent.

Mr. Reid: Both the Tories and the NDP are extremists.

Mr. Drea: But over there, from the opposition, comes the cry: "You send them back to work." Every single time, that happens.

Mr. Bounsall: And they can't agree which to choose.

Mr. Drea: If it isn't: "Seize the company;" it's "Seize the union." And there's a little Castroite in one of those speeches this afternoon, but we won't go into that.

Mr. R. F. Nixon: Is that what Castro says?

Mr. Reid: Is that what Castro says? Of course, the hon. member would be a friend of his, I imagine.

Interjections by hon. members.

Mr. Drea: It's called: "Let them go on strike until I decide they shouldn't go on strike and then we'll forbid them to go on strike." Now you tell me where that kind of stuff came from.

Interjections by hon. members.

Mr. Gaunt: Another wild man.

An hon. member: Go back to the hills.

Mr. Speaker: Order. Order please.

Mr. Drea: Well, as the self-styled leader of the Liberal-Labour party, who wasn't even around to vote on this, the hon. member shouldn't criticize me.

Mr. Reid: Okay. Three times more.

Mr. R. F. Nixon: Only three minutes left.

Mr. Reid: That's his best point so far.

Mr. Drea: Mr. Speaker, the question of strikes in essential services is one of paramount interest in our society today. Nothing is more essential to the welfare of the people of this province than the efficient, orderly and productive carrying out of business by the public employees of this province.

I give full marks to the present employees of this province, both the public service and the civil service people. I think they carry out their jobs with responsibility, dignity, efficiency, and—in a great many cases—a great deal of imagination.

Mr. Reid: But don't give them any responsibility for their own actions.

Mr. Drea: Mr. Speaker, I would give them every responsibility, but surely the responsibility of the Civil Service Association of Ontario is to do some productive thinking about what the alternatives of the strike can be rather than to get into some kind of a campaign where they want to exercise a series of rotating strikes, because that's all they want to do.

Mr. Bounsall: They want solutions!

Mr. Drea: Mr. Speaker, in the brief time remaining to me, I want to recall the Ontario Hydro strike. Oh boy, did they vote to go out. Then after a few weeks, every day on the telephone to the government: "Order Hydro to take them back. We're losing the strike." We said to them: "But you voted to go on strike." They said: "But nobody ever told us it was going to be like this." This, Mr. Speaker, is what I come back to—

Mr. Stokes: The member can't have it both ways.

Mr. Drea: If there is heightened confrontation—

Interjections by hon. members.

Mr. Speaker: Order, please.

Mr. Drea: —through a number of rather hard-nosed, nasty newspaper advertisements, then I suggest to you, Mr. Speaker—

Mr. Reid: If the member doesn't understand that compulsory arbitration causes this—

Mr. Speaker: Order, please. The member for Scarborough Centre has the right to present his viewpoint.

Mr. Drea: —the prospect of going on strike, and indeed going on strike, is going to produce the kind of lasting embroilments, personal hatreds, personal disputes and all the legacies that come from a strike.

Mr. Bounsall: And the government can avoid it all.

Mr. Laughren: By bargaining in good faith.

Mr. Drea: Mr. Speaker, I am in favour of retaining the present system, which bans the public and civil service employees of this province from going on strike. I think there are far better ways to solve a dispute between labour and management—

Mr. Stokes: Like what?

Mr. Reid: Give us constructive things.

Mr. Drea: As a matter of fact, Mr. Speaker, let me refer to my friend from Nickel Belt and his great study about the steelworkers. Here are the steelworkers, 400,000 of them in the basic steel industry of the United States. Do you know, sir, they don't go on strike for wages any more?

Mr. Laughren: That's what I said.

Mr. Drea: He quotes the fact that 2,000 of them are opposed to it—but 398,000 love it because they are not out on the streets any more, year after year.

Mr. H. Worton (Wellington South): Time.

Mr. Drea: Mr. Speaker, I have one moment left. I want to come to the second point of this bill.

Interjections by hon. members.

Mr. Drea: No, Mr. Speaker, I intend to finish on it. This concerns the right of the civil servant to bargain on employment conditions. Mr. Speaker, I suggest that a government that has suggested to boards of education that teachers have the right to bargain on employment conditions would not be consistent if it did not give the same thing to its own employees.

Mr. R. F. Nixon: Attaboy!

Mr. Drea: However, Mr. Speaker, I would like to add just one thing, and I don't want

to get into detail on this because we are talking about principle.

Mr. Speaker: Can you do it in five seconds?

Mr. Drea: I can do it in five seconds.

Mr. Speaker, before we can remove the two sections that my friend wants removed and give them the right to bargain on these things, I suggest to you a rather informal or short type of study to bring in the kind of management-right clause that is applicable to every other type of collective bargaining in this province. And I end on that.

Clerk of the House: The 20th order, House in committee of supply.

It being 6 o'clock, p.m., the House took recess.

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Legislature of Ontario Debates

No. 113



Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Ninth Legislature

Monday, November 4, 1974

Evening Session

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

THE QUEEN'S PRINTER
PARLIAMENT BUILDINGS, TORONTO
1974



Price per session, $10.00. Address, Clerk of the House, Parliament Bldgs., Toronto

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LEGISLATIVE ASSEMBLY OF ONTARIO

The House resumed at 8 o'clock, p.m.

ESTIMATES, MINISTRY OF CONSUMER AND COMMERCIAL RELATIONS (concluded)

On vote 1302:

Mr. Chairman: Before we adjourned the member for Thunder Bay had the floor.

Mr. R. F. Nixon (Leader of the Opposition): We should have stayed in bed.

Mr. J. E. Stokes (Thunder Bay): I see the Leader of the Opposition is his usual kind self.

Mrs. M. Campbell (St. George): Jovial is the word.

Mr. Stokes: I hope he's mellowed over the dinner hour.

I had just about completed my remarks, Mr. Chairman. I had hoped to elicit a response from the minister in connection with the number of problems that we, as members, have brought to the attention of the superintendent of insurance. I equate this kind of information to that which is gathered by the northern affairs offices where if you were to get 10,000 inquiries concerning the Workmen's Compensation Board it would seem it would naturally follow that it was a problem area and you should sit down and discuss it with your cabinet colleagues in order to come to grips with a problem that seems to be widespread and growing annually.

I think that as a result of all the inquiries we have been making, it must have occurred to you, and you must have come to the conclusion, that all is not well in the way that some of the insurance companies conduct their affairs vis-à-vis the consumer and their customers.

Notwithstanding that, you have indicated the jury is still out until you've had all of the input that you consider so necessary from your advisory committee and the task force. I want to know what you would do with this kind of information. Surely you must discuss it from time to time with your colleagues in the ministry, and I'd like to know whether you're prepared to take some action, with I would hope a limited number of companies with which we have an ongoing and continual problem.

I'm not going to mention the names of those companies, but I'm wondering if your superintendent of insurance has made an analysis of the kind of complaints and the companies that are involved in them.

I could dig out my files and show them to you. I'm not going to do that. I want to know whether you used this information in order to clean up the Insurance Act, particularly the Automobile Insurance Act, in the Province of Ontario.

Mr. Chairman: Mr. Minister.

Hon. J. T. Clement (Minister of Consumer and Commercial Relations): Mr. Chairman, there are, in the province, approximately 2.5 million vehicles, and in addition there are hundreds of thousands coming in from foreign jurisdictions and leaving in the course of a year.

Last year, the branch received, from members' inquiries and from inquiries made directly to the branch by the public—by telephone, mail and personal attendance — 960 complaints against the automobile insurance industry. The nature of those complaints varied from poor communication between the insurer and the person involved—let's call him the consumer—to dollar disputes arising out of attempts to settle automobile damages and complaints dealing with poor service. In the latter category the individual felt he was entitled to better service than he received—and in many instances he was absolutely right, he was the recipient of poor service.

The superintendent and his staff welcome these complaints, because if we don't hear about them we can only assume everything is well.

But we have to look at the other side of the coin too. Not all of the complaints, as you can well imagine, were valid. In many instances the consumer expected too much. He expected things to which he or she was not entitled. His impression was that as the

dust hit the road from the collision the man would be there with the cheque book; many times it was a dispute that really arose out of the repairer and the insured, and not really between the insured or the consumer and the insurer.

I'm the first to concede that not all 2.5 million automobiles or vehicles were involved in collisions or losses, thank goodness; but percentage-wise, one per cent is 25,000. I suppose 960 complaints of this nature are really a very small percentage—about 0.04 per cent—of the insured vehicles.

What do we do? The insurer is contacted in the case of every consumer complaint, unless on the basis of complaint our people say: "Well you haven't even got coverage" or "It expired two years ago." They can be answered right on the spot. In all other instances, the insurer is contacted, in many instances the adjuster and in some instances the agent, to find out just what the facts of the matter are. This results in a number of the inquiries being resolved to the satisfaction of the person who laid the complaint.

Sometimes senior personnel of the insurance company are invited to come in and have a discussion with the superintendent. I can tell you of one such company that was invited not too many months ago. The persons—I believe the chairman of the board and the president of the company—found out very quickly that unless the service improved, because of the nature of the complaints, we would seriously entertain not renewing their licence, which is renewed each and every year.

Again, it was a poor communication problem. Things that had been dealt with by people within that company and my ministry officials had not seeped up to the people at the higher levels. This is something we run into; not only in insurance, we run into it in all areas of dealing with our fellow man.

I think the industry has responded well. I have personally been involved in some discussions dealing with life insurance. Not all the complaints, of course, are related to the automobile insurance industry; we have some dealing with the loan and trust aspect of the branch and some dealing with prepaid medical plans and this sort of thing that are in effect.

The member for High Park (Mr. Shulman) became interested in a matter, I think about a year ago. I became personally involved and the superintendent and the deputy became very much personally involved. Through the efforts of my staff—certainly not through my efforts—we convinced the insurers they were very much wrong and the death claim, I believe of some $10,000, was paid. I welcome this sort of thing.

A lot of the complaints are frivolous and I get annoyed. You represent a number of people, and so do I, in your own constituency. Some of the frivolous ones are pretty apparent on the face of them when they hit your desk. We are not really here discussing those, we are discussing the valid complaints.

Mr. Stokes: If I thought they were frivolous, I wouldn't even bother—

Hon. Mr. Clement: That's right, and I'm confident most members of this House take that position.

Sometimes people don't tell us the truth either. Before I was a member of this House I dealt with insurance companies for about 18 years through my practice of law, and I too had my complaints and frustrations, often brought about by an overzealous person at a lower level denying liability where it shouldn't have been denied in the hope of perhaps grandstanding for his superiors. I hope those types of people today are in minimal numbers. I'm sure they are.

I welcome any valid complaint that comes in and my staff are ready, willing and able to extend to every member of this House, and in fact to every member of the public, any assistance they can render.

Mr. Stokes: I just want to follow up on two minor points. The first is that I want to assure the minister and members of his staff that I read the complaint material, using my good judgement, and if I think they've got a legitimate case then I pursue it with the superintendent of insurance.

As a matter of fact, most of the cases I have brought to the attention of the superintendent of insurance are cases that have been referred to me by salesmen of insurance companies. They felt that, first of all, their adjuster wasn't doing his job. And, of course, you have got ample evidence of that. It was well-documented in a report that was made available to you. In fact it was a report that was commissioned by you, showing the shortcomings of many adjusters in the automobile insurance field.

Now, obviously, that hasn't changed. I don't know what more evidence you need to suggest to adjusters that they should clean up their act or get on the ball. Almost invariably when I bring a case to the attention of the superintendent of insurance, it's at the instigation of the salesman, or the salesman

has said to their client: "I am sorry, I have done everything that is humanly possible to represent you. I have hit a blind end. Why don't you go and see your member?" That's why these cases get to the attention of the office of the superintendent of insurance.

On that basis, when you even get salesmen—you know, insurance men—suggesting that their clients come to their member, it's pretty conclusive evidence to me that something is wrong in those cases. I think perhaps you should be taking a look at them. I don't think you have to wait until all of the evidence is in to take action in specific areas where there are chronic complaints and chronic neglect in the servicing of existing policies.

Mr. Chairman: The hon. member for Brant.

Mr. R. F. Nixon: Thanks, Mr. Chairman, I wanted to bring a matter to the attention of the minister, which I trust is not frivolous. It was brought to my attention by a lady, a widow, who has had the main responsibility in her family now for a number of years.

She was complaining that the insurance rates for her automobile were going to a level which she felt were unduly high, because she was putting her son on as second driver. He was over 25, with no accident record. She, herself, has no accident record whatsoever. It was pointed out to her that if she put the son as the principal driver and listed herself as the second driver, the rate would be reduced by $70.

I can hardly believe this. Is it possible that a rate structure as approved by a branch of the ministry would permit that sort of strange approach to the costs of insurance in this province? I have no doubt that what the lady reported to me were the rates given to her by her agent, but surely there must be some misconception in this matter.

Hon. Mr. Clement: That sounds most peculiar. I just don't understand that, because that isn't logical—is it? It just doesn't seem logical that he being over 25, there would be an advantage. Now if her record—does she have a driving record?

Mr. R. F. Nixon: No; there is no record for either one of them.

Hon. Mr. Clement: Well, perhaps the leader of the Liberal Party might give us the particulars of that. That just isn't consistent.

Mr. R. F. Nixon: I would be glad to do that.

It simply is a further indication of the uncertainty many people feel when it comes to the insurance premium bill which arrives. It's very difficult to determine how the specific amount is arrived at.

As a matter of fact, one of the basic areas of conversation among two people when they meet after they have discussed the weather, is: "What do you pay for your car insurance."

There's always this feeling that most people are trying to get some rational explanation of the very broad differences in the cost. You can always trace it to a difference in coverage, perhaps a difference in driving records—but there is this feeling of uncertainty on the part of many people that the supervision is substantially inadequate.

I know the minister has indicated already that his own views differ from his predecessors, that he is prepared to give some consideration to compulsory insurance—which we, of course, applaud. I think this is good. But if it were only possible that sort of a basic, standard approach to changes in the cost of coverage were available, I think that a good deal of the uncertainty that is in the minds of the consumers might be dispelled. Your people might also find they wouldn't get quite as many inquiries under these circumstances. Is there a substantial difference from one company to the other for standard coverage in standard circumstances?

Hon. Mr. Clement: You have to first deal in the same geographic area, and you have to deal with the same type of car. Once we equate that, there is some slight difference depending on the success of company A as opposed to company B—its loss ratios over the last two or three years.

Some companies become—and this is a problem—so selective that all they want to insure is the triple A blue star driver who has a history of no accidents. We don't applaud that sort of thing either, because then you are denying access to insurance coverage to the other driver who, through one reason or another, has acquired some kind of accident record, be it minor or major. If they are in the business of selling insurance, then we say they have to sell to all, but there is a definite difference.

I mentioned earlier this afternoon, in your absence from the House, that I have been somewhat astounded to receive in the past comparative rates from the superintendent's office for, shall we say, standard coverage. It can be rather substantial. But most of us, I think through habit, are used to dealing

with one agency and for one reason or another don't go outside that agency or go outside the range of insurers that agency represents.

If your constituent will look at her premium notice, if it is the same as mine, you have so much for your standard coverage and so much for the additional—if you want to go beyond the $50,000—and so much for certain other benefits, collision and this sort of thing. It has been my experience in the past, in discussing it with clients when I practised, that they would buy a new car and put $25 deductible on it; drive the car for four or five years, never really review it or decide to enlarge the deductible or remove it and pay a rather healthy premium to repair a car that's four or five or six years of age. There is a difference in cars; and consumers, when discussing this on the street, don't mention, you know, that the member for Brant (Mr. R. F. Nixon) is driving a Cadillac—

Mr. R. F. Nixon: Eldorado.

Hon. Mr. Clement: —and the member for Niagara Falls (Mr. Clement) is driving a very small, inexpensive vehicle.

Mr. R. F. Nixon: Stripped down Chev.

Mr. J. A. Renwick (Riverdale): How old is yours?

Hon. Mr. Clement: Five years.

Mr. Renwick: I thought so.

Hon. Mr. Clement: And I'll soon have it paid for!

Mr. R. F. Nixon: I was going to ask the minister if there are jurisdictions which still give comparative consumer dollar information with the premium costs associated with the name of the company? Pennsylvania used to do this, certainly up until about three years ago, when I believe it was the superintendent of insurance there who brought out the very interesting publication where the cost of basic coverage in that state was compared dollar for dollar by company name. Is that still done? Is there any way the comparative information would be available from your office?

Hon. Mr. Clement: We are moving in this direction.

Mr. V. M. Singer (Downsview): Oh, yes? Good direction!

Hon. Mr. Clement: I just want to confirm this with the superintendent. On life insurance, not on automobile insurance; we have not done that on automobile insurance but on life insurance.

Mr. R. F. Nixon: Would you contemplate it?

Hon. Mr. Clement: It is within the realm of contemplation. Why not?

Mr. R. F. Nixon: You have that information.

Hon. Mr. Clement: Mr. Chairman, I want to make this clear. This isn't hidden information. You can get this information without any difficulty at all.

Mr. R. F. Nixon: If I were to shop around, company by company, I could, but could I get the comparative dollar costs for basic automobile insurance coverage by writing you and asking for it?

Mr. Singer: Nope!

Hon. Mr. Clement: I can give you that. I can also give you the basic coverage and show the difference between certain geographic areas—that is Metro Toronto compared to the Hamilton-Brantford area or however they break it down, the Niagara peninsula or anything else. I will give it to you.

Mr. R. F. Nixon: Why not use your advertising budget to simply publish that information?

Hon. Mr. Clement: No. I would like to use my advertising budget to bring other matters to the attention of consumers.

Mr. R. F. Nixon: There wouldn't be anything more valuable or of more interest to them than that.

Mr. Singer: Hear, hear!

Hon. Mr. Clement: Within the next few months, we intend to put forward a brochure, similar to those we have done in other areas, dealing with insurance. I haven't contemplated going so far as giving all the rates for the different companies, but what information I have available I'll make available to you readily.

Mr. Renwick: Mr. Chairman, on a point of order if I may.

Pat Chefurka is leaving the assembly and I would like to take the opportunity of introducing to the assembly the president of the Ontario New Democratic Party Association, Pat Chefurka.

Mr. R. F. Nixon: Together with all their supporters.

Mr. Renwick: She needs no supporters, they are in Carleton East.

Hon. W. A. Stewart (Minister of Agriculture and Food): Seems to me she ran against me.

Mr. R. F. Nixon: She is from Middlesex South.

Hon. Mr. Stewart: Middlesex North.

Mr. Singer: Mr. Chairman, could I ask the minister what attention, if any, he has given to limitation periods? I don't know if he has had drawn to his attention what I think was one of the best reports of the Law Reform Commission which was their report on limitations generally. I tried to argue with one of your colleagues, the Minister of Health (Mr. Miller), and I didn't get very far. However it seems to me one of the very serious faults in our insurance law is that the limitation periods are so rigid and that we have not written into the law any judicial discretion.

I'm not suggesting the limitation periods be thrown wide open and litigation about motor accident negligence be allowed to take place at any time, or be allowed to take place six years after the event, but it would seem to me on occasion, and I have experienced this myself, that once in a while inexperienced lawyers can get lulled into a sense of false security by more astute lawyers on the other side.

Hon. Mr. Clement: Some experienced ones too.

Mr. Singer: And experienced ones! Or there may be a shrewd adjuster. However, it would seem to me not illogical, with the very strict interpretation the courts have put on the limitation periods as the statutes have set them out, and probably quite correctly from a judicial point of view, that there should be some judicial discretion allowed in appropriate circumstances to extend those periods.

Now the minister may remember that when the no-fault first came in, there was some considerable confusion about limitations in so far as no-faults were concerned, and we were able to convince the minister's predecessor to readjust the wording.

I would like to see a form of readjustment in our statutory provisions; not to throw it wide open, but to allow judicial discretion in appropriate circumstances. I would like to hear the minister's view.

Hon. Mr. Clement: You have touched a very sympathetic point, because I think that in some instances a real hardship has been practised upon a victim of an accident. Someone issuing a writ, whether you enlarge it from the one year to another three months, may just be perpetuating it. Discretionary remedy might well be the answer. I'm extremely sympathetic. I think it is a function the court should perform on material put before it, particularly where there have been negotiations going on between the parties and the representatives over some period of time. You will find hopefully that we will move in that direction in the first part of the year, next session.

I'm very sympathetic and I don't think the industry would object to it too much either; because it's a great criticism of the industry, which really says: "Well, there it is."

I don't think what is suggested is unreasonable. The discretionary bit might well be the answer to the problem. It's not only embarrassing to the solicitor, and costly to him in some instances; it can be very costly to a client.

The deductible, I am told, is that you pay the first $2,000, in case you had that in the back of your mind.

Mr. Singer: You are confusing solicitors' negligence with other things. I wasn't talking about that one, but I appreciate the minister's views on that and I thank him. I think he and I are thinking along the same lines.

There are good companies and there are bad companies, and most of the industry would accept this. I have found tough companies and tough lawyers and tough adjusters who just wait. I've got a very strict control system in my own office, I think, and I hope to make sure we never get caught.

But it is quite possible that the most careful solicitors can get caught. You can get lulled into a sense of false security and suddenly the axe descends. I think it is grossly unfair, particularly bearing in mind that when you get an injury, the full extent of which is not ascertainable immediately and may not be ascertainable for a year or 18 months or two years or three years after the event, there are people who sometimes appear on the other side just waiting to attempt to catch you on day 366.

Hon. Mr. Clement: Unless it's Sunday.

Mr. Singer: Unless it's Sunday, when they can go to day 367. The minister and I, as solicitors, can understand that. I appreciate that I think he has made a commitment that in legislation we will see shortly after Jan. 1, 1975, perhaps there will be some judicial discretion to remedy this.

Hon. Mr. Clement: I'll make that in the form of a commitment. Like every politician, I'm just going to say one thing as a rider; I hope that if we move in that direction in this province our sister provinces will do the same thing, for very obvious reasons. I don't think we should be providing remedies for people in other jurisdictions that they won't provide to us.

Mr. Renwick: Of course not.

Mr. Singer: Fair enough. But I have listened, Mr. Chairman—

Mr. Renwick: So you are denying them to the people here until you get them elsewhere.

Mr. Singer: I have listened for so many years to my friends on the government benches say: "We lead in Ontario—

Mr. Renwick: What about the whole of the world?

Mr. Singer: "—we don't follow. We lead Canada and we lead the world." I invite the minister to lead in Canada in this particular field.

Mr. Chairman: Is item 3 carried?

Mr. Renwick: Yes, I only have one—are we on item 3?

Mr. Chairman: Yes, we are on item 3.

Mr. Renwick: This is financial institutions still? I only have one or two comments.

I want to turn from that kind of insurance to ask, from the consumer's point of view, what your ministry does to protect a consumer who borrows money from a credit grantor or one who finances a consumer credit operation and pays for insurance to the credit grantor, who, in turn, has a master contract with some insurer? What does your ministry do to protect the consumer from exorbitant premium charges in financing consumer transactions?

As I understand it, what now happens is that there is a master contract between the credit grantor and an insurer. The consumer pays, as part of the carrying charges of his loan, a portion of the premium. The premium goes to the master contract insurer. When the loss ratio is such that they can no longer support the collection of the premium they repay a portion of the premium to the credit grantor, but the consumer never gets the benefit.

I understand the argument—it's called de minimus by lawyers. The finance company or the bank—the credit grantor—has the benefit of the rebate of the premium from the insurer, and I'm quite certain that it is done in such a way there is a substantial rebate. But because it would be too much of an accounting problem, it is never rebated to the consumer.

I want to know what your ministry is doing to protect the consumer against that kind of rip-off? It is called a premium rebate refund arrangement, but in the language that we use, from the point of view of the consumer, it is known as a rip-off. Would the minister please tell me what his ministry is doing to protect the consumer against that kind of take by the insurance industry?

Hon. Mr. Clement: Mr. Chairman, the superintendent and his office have developed a set of guidelines dealing with this type of practice. It is forbidden to kick back, if I may use that expression, to a financial institution, a credit grantor. This is a practice that has occurred in the past, there's no question about it.

The credit institution, or the credit grantor, is allowed up to five per cent of the premium for its administrative costs in writing the premium. The premium must be reasonable. The premium is scrutinized by the office of the superintendent. Not only is this a deplorable practice, it is now contrary to the guidelines. I am advised that it seems to be working quite well. If it doesn't, then we'll just have to legislate it.

Mr. Renwick: Would the minister put on the record what the guidelines are that would prohibit this practice and why he thinks that it does not require legislative sanction in order to enforce it against persons who are engaged in the insuring of the very large credit grantors in the province?

Do you understand, as I understand it anyway, that you are talking about an increase in consumer credit of about $1 billion? Correct me if my figures are wrong; I lose track now, in our economy, of whether I should be talking about $1 million or $1 billion from 1950 to about $15.6 billion of consumer credit now. Is that roughly right?

Hon. Mr. Clement: It is not too far wrong.

Mr. Renwick: Anyway, it is very substantial. I would guess that, certainly since the 1960s, most of that credit granting has been insured for death, for unemployment through disability and that kind of thing, or the inability to pay of the person seeking the credit. My guess is that the rip-off of the insurance companies has been fantastic.

I want to ask the minister if he has any quantum statement about the number of dollars which have been paid by the consumers in the Province of Ontario for that kind of insurance protection; the number of dollars that have been paid out, which is the loss ratio, and what it was that prompted the ministry to issue the guidelines which were issued last year.

For practical purposes there was no public announcement of them. They weren't put into regulation form. Apparently you don't have any statutory authority by which you could have done it by regulation to make it enforceable. So it wasn't public knowledge, and yet you continue to say to us, with the insurance industry as you know it, that you think this kind of cosy relationship of issuing guidelines to the insurance industry is protecting the consumers of the Province of Ontario.

Mr. Minister, I think you really believe it, so I'm not going to attack you tonight. I simply think you are so totally naïve, when you consider the number of dollars that have been taken in by the insurers and the credit insurance agencies in the Province of Ontario since the time this government has been in power until today, and you issued guidelines last December covering this matter, that you don't know what the figures were. You do it by guideline, you don't have statutory authority; or if you do have the statutory authority, you don't do it by regulation.

I think you are part of the naïve group of people who are being totally taken by the insurance industry at the expense of the people of the Province of Ontario. I think it is absolutely shocking.

Hon. Mr. Clement: Mr. Chairman, the guidelines can be filed in the House for the perusal of the member. I'll send them to him. They have been developed as a result of—

Mr. Renwick: Will you table them?

Hon. Mr. Clement: I will table them. I am prepared to provide you with the amount of dollars that we're talking about. I don't know them right now. The superintendent says they are available in terms of total dollars paid by consumers borrowing through credit grantors. This was a matter that was discussed—I must differ with the member for Riverdale when he said there was nothing in the papers about it—

Mr. Renwick: I said there was nothing public about them.

Hon. Mr. Clement: —because it was discussed very broadly a year ago August, I believe, at the meeting of superintendents held in Winnipeg, Regina or somewhere in the west. It's definitely not in the public interest; of course it's not. I am advised that the guidelines have been very effective. I am prepared to put them in regulatory form once they're workable and once they're understood by everybody affected. I don't like it. I don't like credit grantors sometimes being put in a situation by retailers of having to make rebates back to retailers for consumer credit purchases in terms of interest. You might call it a kick-back, I might call it a kick-back. These things have somehow picked up all kinds of special names, and I don't like it.

I have made my feelings known on that. If there's disclosure, that's one thing. I think the deplorable part about something like this is the fact that there is no disclosure. In many instances, the consumer maybe couldn't care less; but in many instances, I am sure he could—or he should in any event.

Mr. Renwick: Mr. Chairman, the consumer cares. And he cares more than the government thinks. But he has no alternative but not to care, because he can't do anything about it because the government doesn't protect him, and he can't do anything about it—okay?

Mary at the Royal Bank sells a lot of consumer loans, you know. All of them are insured. There's a master contract. Every consumer transaction in Ontario today is insured against certain forms of credit risk. The consumer pays.

If I had my way, there would be a government inquiry into the last 15 years of the kick-back or rip-off by the insurance industry in the consumer credit field and they would be required to refund—maybe impossible, now, in the lapse of time—to the consumer who paid the premium. But I would certainly have it into some kind of a fund where that insurance scheme would no longer be open to the private industry. That money would go into establishing an insurance fund which could insure every consumer in the Province of Ontario under a government-

supported fund against the loss of employment and against death, or other such disability which would prohibit him from continuing his time payments under all of these plans.

The economy is based on it, but who gets the rip-off? You know as well as I do. I think it's a scandal. If I had my way, it would be a crime.

Mr. Chairman: Does item 3 carry?

Mr. Stokes: No.

Mr. Renwick: No.

Mr. Chairman: The hon. member for Thunder Bay.

Mr. Stokes: Yes, I want to put something on the record that will substantiate what the Leader of the Opposition was talking about with regard to the supposed standard automobile policy. I want to relate an incident I had with a particular insurance company.

Almost two years ago to the day, I was driving on Highway 17 westbound, between Terrace Bay and Schreiber, and I came in contact with a deer. I saw it crossing and I slowed up. And just as he went out of the range of my headlights, I stepped on the gas again and he was confused by my headlights. He darted back and the front of my car hit the deer, and that was the end of it.

I phoned my insurance agent, explained what had happened and he asked whether there was any damage to the car. I told him there was some damage. I reported to the Ministry of Natural Resources that the deer had been killed and I reported to the OPP that an accident had occurred. My insurance agent told me to take the car in and get it repaired and have them submit a bill. About 10 days later I got a letter from my insurance company saying that hitting or coming in contact with a wild animal wasn't considered a collision within the meaning of their contract and that it wasn't covered.

So I went to my insurance agent and I said: "Why didn't you tell me that this kind of thing wouldn't be covered?" I happen to know that this particular agent deals with four or five non-board companies. I know that some of the companies he deals with cover this kind of event, because one of my friends collected about $1,100 toward the damage to his car for that particular kind of coverage. So he told me the company that my friend had the insurance with did cover this on a standard policy, while my company didn't cover it, even though they were standard policies.

I said: "Why didn't you advise me because I drive anywhere from 30,000 to 40,000 miles a year. I want that kind of coverage." I just assumed I had had it because I know of several claims that were paid through that agency. He said: "I forgot to mention it to you." He mentioned that company A covers it but company B doesn't. I said: "All right, cancel my insurance with the one I had it with and renew it with the other one, because with the amount of driving in inclement weather I can't afford to drive without that kind of coverage."

So he did, he transferred it over. I said: "I want an endorsation with my policy that will indicate that I am covered for this kind of accident." He came up with one—I don't know where—indicating specifically that it covered contact with a wild animal. You can readily appreciate why you would want that, because you get one of these lanky, long-legged, northern moose and you touch one of those, they are right into your windshield. I have seen too many instances where people have been killed or maimed permanently as a result of this kind of collision.

Let me tell you what happened. My agent transferred from company A to company B. About three or four months later I got a call from the original company saying they were awfully sorry that I had seen fit to cancel my business with their company. They said we had enjoyed a good relationship, and that I had never reported an accident to this time.

Mr. Renwick: That's why.

Mr. Stokes: They said, "We are very sorry you have taken that action. To show our good faith, even though your policy has been void and cancelled for the last three or four months, we hereby enclose a cheque for the amount of your claim." Even though I was no longer insured by them, they said: "Here is a cheque covering the amount of the claim and we hope you will reconsider."

Mr. P. D. Lawlor (Lakeshore): They wouldn't have done it for anybody else.

Mr. Stokes: No, they wouldn't have done it. But here was an elected member and somebody doesn't want these things aired in public and doesn't like to have the dirty linen hauled out. How do you see the operation of an insurance company that is motivated in that way?

Obviously I didn't go back. I stayed where I was and that was the end of company A; but it sure leaves a lot of doubt.

Mr. J. A. Taylor (Prince Edward-Lennox): Did you cash your cheque?

Mr. Stokes: You are darned right I did.

Interjections by hon. members.

Mr. Stokes: What would your reaction be to that kind of a situation where you have standard automobile policies? One covers it and the other doesn't. Then they have a change of heart, they reconsider and they pay it long after my contract with them had expired? What do you think about that?

Hon. Mr. Clement: The way I see it I think you were covered all the time and you got some bad advice from your agent. That is the way I see it.

Mr. Stokes: I have proof. I have a letter from the company saying that's the way they interpreted the policy. When they sent the cheque they said: "We have reviewed it and we have finally come to the conclusion that it should have been a legitimate claim. It is now a part of our standard policy."

Hon. Mr. Clement: Mr. Chairman, as far as I am concerned, if what the member tells me is correct, and I have no reason to doubt it, it is the first time I have ever heard that a policy with standard collision coverage on a car excludes running into a wild animal. If that isn't a collision, I wonder what it would be. I have certainly never heard of it.

We have been talking back and forth here. The superintendent is not aware of it. I find it somewhat remarkable that you took out a policy with the second company that has the coverage and then it put an endorsement on it when it is already supposed to be in the policy. I just find it a little confusing.

Mr. Stokes: The minister thinks that maybe my memory isn't serving me well. I am going to make all of that information available to you just so you will see.

Hon. Mr. Clement: Somebody must have made a mistake because just sitting here, playing Sherlock Holmes, it would seem to me you had coverage all the way along.

Hon. A. Grossman (Provincial Secretary for Resources Development): They make mistakes like politicians I guess.

Mr. Taylor: Mr. Chairman, with respect, I think that a lot of the problem is the poor public relations the insurance companies have in dealing with the public. I am not criticizing the member for Thunder Bay for cashing that cheque, because they should have paid it to him earlier. What I am saying is that a lot of these agents and adjusters spend time getting out of the payment of a claim—

Mr. Stokes: I bet they wish they had.

Mr. Taylor: It would be better to spend the time servicing the claim.

The rip-off, if there's a rip-off, is in the repair business. I think if there's an investigation to be made it should be into these mechanics or repair depots, the places where you take your automobile to be serviced and to be repaired. It's no wonder the insurance rates are going up. Every time you walk inside the door you don't know what they are doing with your car, but you sure get a big bill for it.

Mr. Renwick: That's right.

Mr. Stokes: The next thing, you will want to be nationalizing the repair—

Mr. Taylor: I am just saying that if an industry ever needed supervision—

Mr. Renwick: You are the same, you know.

Mr. Taylor: —to keep people honest—

Mr. Renwick: Your clients walk out and they don't know what you fellows are—

Mr. Taylor: —if there ever was an industry that needs supervision, I would suggest, Mr. Minister, that you go into the repair business and just check into the cars that have been taken into these places for servicing and see what had to be done. See, in fact, what was done, see who did the work on it, see if they were competent to do the work on it. Check the bill.

Total it up and see how the public is being ripped off in terms of repairs to their automobiles. This is the big problem that's facing, I dare say, most of the motorists today and should be rectified.

Mr. Chairman: Item 3 carried?

Mr. Renwick: No, no, Mr. Chairman. I would like to have some information as to what is covered by item 3 under the designation of financial institutions. Does it cover the so-called co-operative operations in the Province of Ontario or does that come under the companies division?

Hon. Mr. Clement: Under the companies.

Mr. Renwick: Well may I deal with one part of it, which probably comes under this vote? Why would the minister have told the farm mutuals, understanding as I do the

traditional dislike of the government for anything that has to do with the mutualization or co-operative activity, why would the minister have told the farm mutuals they should be very careful about expanding their business?

Hon. Mr. Clement: I don't recall a thing. Can you give me more particulars?

Mr. Renwick: Yes, as a matter of fact.

Hon. Mr. Clement: I talk to so many people in the course of a day, I can't even remember the day, never mind what I said.

Mr. Renwick: I think this actually was a speech you made. If you would just give me a moment.

Hon. Mr. Clement: I wouldn't be surprised.

Mr. Renwick: Don't you think for a moment that I don't keep a file on you.

Hon. Mr. Clement: I beg your pardon?

Mr. J. R. Smith (Hamilton Mountain): The minister gets a four-star rating!

Mr. Renwick: It is so cluttered up with no-fault insurance that I have trouble finding anything else.

Hon. Mr. Grossman: Solid documentation too.

Mr. Chairman: Maybe the member for Riverdale would like to—

Mr. Renwick: No, I don't need to. I have it, Mr. Chairman, I am sorry, I must take it back.

> An official of the Ontario department of insurance has warned farm mutual insurance companies against a too rapid increase in premium income without an appropriate rise in company asset values. Martin Crutcher, department supervising examiner, said that because mutuals operate in a narrower financial range than do stock insurance companies, they must make underwriting profits to increase surplus. As a result, the mutual companies can only afford to do so many things, he told the annual convention of the Mutual Fire Underwriters Association.

And so on, and it's quite a long article.

What I am saying to the minister is what is the ministry doing to support the survival in Ontario of the farm mutuals as against the stock insurance companies? I see this within the broader context of the inability of the government of the Province of Ontario to understand anything called the mutual or co-operative operation.

We can deal briefly with the co-operatives and the credit union movement, and the failure of the building societies in the Province of Ontario, and all of the other co-operative activities which have never had the kind of support which any government that was interested in protecting people against the profit take of the stock companies would be interested in.

I am simply saying that it may well be that Mr. Crutcher was totally right if you apply to the mutual insurance business the criteria which you apply to the stock companies, because the stock companies have always charged premiums so high that they always have a surplus of funds to invest and their investment income protects them against the underwriting loss, but the farm mutual business and every other form of co-operative is not engaged in building up that kind of reserve.

I'm being a little bit rhetorical, because I don't really think the minister knows the answer to the overall inability of the province to provide a hospitable atmosphere for the kind of insurance operation the farm mutual firms are engaged in. That's also true of all the other forms of mutual insurance in Canada. The mutual companies in the other fields were threatened in their managerial operation so they changed themselves back into mutuals; that's the only reason they did, and the minister knows that as well as I do.

I really don't know, because you can't possibly know the history of every financial institution in the Province of Ontario, but I think this government has done practically nothing either to support or to permit the expansion of the farm mutual business in the Province of Ontario, I think the government has been so sadly in default that this kind of warning is given, because now they have fallen afoul of the rules which have been set down for stock insurance companies.

Hon. Mr. Clement: Mr. Chairman, I wasn't aware of the particular speech that Mr. Crutcher—

Mr. Renwick: Martin Crutcher; he's in your ministry.

Hon. Mr. Clement: It wasn't I who made the statement—I want to make that clear. But it's the same advice, I presume, he would give any stock company—to adhere to the rules that apply.

I'm advised the insurance branch is work-

ing closely right now with the farm mutual companies to assist them in the creation of a stabilization board so that they can, in due course, abandon the premium note system of payment in doing business which has been somewhat harmful to members over the years. But I'm not familiar with that particular speech on that particular occasion. I think our officials would tell any company carrying on business, be it a farm mutual or a stock company, that it must adhere to those kind of monetary restraints.

Mr. Chairman: Any other member wish to speak on item 3? Carried?

Item 4, motor vehicle accident claims fund. Carried? Item 4 agreed to.

Item 5, companies.

Mr. Renwick: Mr. Chairman, I haven't had an opportunity to find out just exactly what hour of the night it was that this matter came up. My recollection is that it was about 2:20 on the morning of Dec. 14 or 13, 1972. I think it's typical of this minister and of this ministry, that nothing has been done, so far as I know, about the point which was then raised and was accepted by the minister at that hour of the morning. I've got it here, Mr. Chairman, if you'll just give me a moment to find it.

The minister introduced, on Dec. 14, 1972 —this was that marathon session, remember, the last marathon session that we've ever had? Presumably it's the last we ever will have, because public opinion will not allow it to happen again.

I think it was about 2:20 in the morning. The minister, in committee on Bill 181, An Act to amend the Corporations Information Act, introduced an amendment about Canadian directorships. It was a question of whether or not you had to disclose what nationality you were if you were not a Canadian. The amendment would have it that all you had to state was whether or not you were a Canadian—not what nationality you were if you weren't a Canadian.

I introduced an amendment at that time which I thought was of significance and which I still think is of significance. I asked the minister at that time if he would consider an amendment: that any director, in filing the annual summary of the company, would be required to provide the information as to

> Whether or not each director is a director of any other corporation related to the corporation; and if so, the name of such corporation and the jurisdiction of its incorporation.

Now we are talking about the knowledge of the ordinary citizen of the Province of Ontario with respect to the interrelationship of the web of corporations to which any particular director belongs. I want to repeat the words of the amendment:

> Whether or not each director is a director of any other corporation related to the corporation; and if so, the name of such corporation and the jurisdiction of its incorporation.

I'm sure the minister will remember this, because I went on very briefly as usual to explain the meaning of my amendment. I find that the leader of the Liberal Party, who had then resigned but has since been reinstituted in his position of leader of the Liberal Party, had this to say—

Mr. Singer: Just because the NDP are going to lose in Ottawa shouldn't make you so bitter.

Mr. Stokes: That's what you said about Stormont.

Mr. Singer: I didn't say that. I wasn't even here during the Stormont by-election.

Mr. Renwick: The member for Brant said:

> I believe that the subamendment is of substantially greater value than the concept of the whole bill.
>
> The hon. member for Riverdale, by explaining it to us as carefully as he did—five times by actual count—has made it abundantly clear how important it is. [We are not allowed to use "abundantly clear" any more after Watergate.] I am prepared not only to understand him but to support him.

The leader of my party (Mr. Lewis) supported me on that motion.

Mr. Singer: That was unusual.

Mr. Renwick: No, he always does. He supported it not only eloquently but knowledgeably as well. Then the minister said:

> Mr. Chairman, I think we could have speeded things up if the member had sent me a note across the House, knowing how reasonable I am, to deal with this matter. I can see no criticism of the amendment submitted by the member for Riverdale.
>
> I can appreciate the problem of trying to do a corporate search and finding out if there is any connection. I think that the

comments which have been made by all members who have participated certainly outweight any disadvantages insofar as cost is concerned. I think it overbalances it. I am prepared to consent to the amendment if the House will carry it.

Amendment to the amendment agreed to.

Amendment agreed to. Clause 1, as amended, agreed to.

Bill 181, as amended, reported.

That was the end of it.

Mr. Singer: Your genius knows no limits.

Mr. Renwick: I had one meeting—I was called across to meet with your experts, each of whom as a personal friend I admire, enjoy and often have a drink with—despite what Norman Webster says, you and I very seldom have a drink.

Hon. Mr. Clement: I very seldom have one with anyone.

Mr. Renwick: But they confused me so much that I left thinking you were going to introduce that amendment. That amendment happens to be one of the most significant amendments that this government could carry with respect to the inter-corporate relationships, foreign or otherwise, of companies which are incorporated in the Province of Ontario or which carry on business in the Province of Ontario.

So far as I am concerned—and you can pull the rug right out from under me by telling me it's been proclaimed and I'll be delighted—but to my knowledge, it has never been proclaimed. Am I correct?

Hon. Mr. Clement: It has not been proclaimed.

Mr. Renwick: That's right.

Hon. Mr. Clement: I would be the last person who would want to pull out the rug from under your feet.

Mr. Renwick: This is one occasion I would be happy to have you do so.

Hon. Mr. Clement: I remember that discussion at that time—

Mr. Renwick: I remember it too.

Hon. Mr. Clement: It was a very interesting discussion. It was put forward after a brief statement as to why it should be put forward by the member for Riverdale. But I'm advised by my officials that it is impractical for a series of reasons in terms of varying the forms and the ever-onward quest for uniformity of legislation in providing similar returns for all jurisdictions. In theory I concur. I concurred with it that particular night, but it is unwieldy.

Mr. Doan advised me here a moment ago that they're still trying to work out some way that this can be done. Maybe it can be done on demand. It shouldn't be necessary, maybe, in each and every instance but only on demand. In any event, it is an unwieldy piece of legislation that unfortunately is not practical.

Mr. Renwick: I remember it. I have been conned before.

Mr. Stokes: He has been conned by experts.

Hon. Mr. Clements: I would welcome any suggestions the member for Riverdale or any other member of the House might make as to how it can be implemented, because the intention of both the member for Riverdale and myself at that time was to see it implemented. I quite agree. There was no question of doing it to humour him or anybody else in the House. I like the idea. It sounds like it was a sound idea.

Mr. Renwick: It's very simple. As a matter of fact, it's so simple that it defies my understanding as to why your ministry should find it impossible to implement.

I used the term "related corporation" for very clear reasons. The terms "related" and "associated" are now accepted terms in the Income Tax Act of Canada and in a number of other statutes with respect to finding out which companies are related or associated to each other for income tax purposes.

If for corporation tax purposes in the Province of Ontario, or for income tax purposes in Ottawa, they can find out which companies are related or associated companies by the series of definitions which they have in that Act, then I say to you that for public policy purposes the members of your ministry, with the skills which they have, can devise a similar system. I'm not prepared to buy the proposition that we in the Province of Ontario have to wait for the uniformity kick, because I know the definitions are available.

I simply want the minister to understand that if I'm here at 2:20 in the morning thinking about the legislation of the province—I'm not talking about me as a person, because every member of the opposition has the

identical feeling and goes through this operation of this debate in the Legislature—as I say if I'm here and we pass certain amendments; if a bill such as that is not proclaimed, then I expect the minister to walk back into the House in the next session, not two years later, and review what he has done.

It should not require me to go and have that part of Hansard photostated in order that I can draw it to your attention. If you're interested in who controls the economy of the Province of Ontario, from the point of view of disclosure that's the quickest and the simplest way of finding out.

I just want the minister to know that I, personally, for whatever effect it has on him, am fantastically displeased about that particular activity on the part of his ministry. I don't like being conned and I don't like wasting my time trying to improve the legislation of this province.

Hon. Mr. Clement: I'll buy that.

Mr. Chairman: The member for Downsview.

Mr. Renwick: Mr. Chairman, I have another matter I want to deal with.

Mr. Stokes: The minister said he would buy that. It was a good sound argument.

Mr. Renwick: All right. I want to deal with a matter which I think is now of fundamental importance in the corporate law of the Province of Ontario.

The funny thing about following along on what Carlisle would call this "dry as dust" topic about corporation law and the kind of things that the select committee has been engaged in, is that when we pass up one part of the work of the select committee—and we haven't touched the corporation law now for, I guess, five or six years—

Mr. Singer: Four, anyway.

Mr. Renwick: Yes, because we've done the co-operatives, the credit unions and the amalgamation and merger study and so forth and we're engaged on the trust area. I don't want the minister for a moment to do other than keep the committee in existence. Assuming I'm re-elected, of course, the member for Downsview and I—unless, of course, he or I will be a minister—

Mr. Singer: I will be. I expect that.

Mr. F. Laughren (Nickel Belt): Or a judge?

Mr. Renwick: I would expect to deal with the insurance industry on the next go-round of that committee.

But the fact of the matter is that so far as the corporation law is concerned we pass a certain stage and sort of the world comes down on it. Nobody ever discusses it again.

I happen to think you have got to the point in time where you are going to have to make value judgements about certain types of industries in the Province of Ontario and you are going to have to create the concept of something called the public-interest director. I don't pretend, in the course of this estimate, to try to delineate what the public-interest director in its fine ramifications is.

I don't know whether it is going to be certain persons from some kind of a slate established by the government, who if they are nominated to the board of directors of a particular corporation in the Province of Ontario are going to be subject to the approval of Lieutenant Governor in Council before they can accept the office and whose duty will be with respect to a distinctive part of their effect on the corporate direction of major corporations in the Province of Ontario. I don't know what the details of it are, but I'm certain that members of your ministry are quite aware of the concept and of the difficulties which are involved in it.

I think that every single resource industry in the Province of Ontario, if it has foreign ownership and control, must have a public-interest director whose appointment is related to the public interest and subject to the approval of Lieutenant Governor in Council.

I'm not necessarily talking about a majority of the board of directors or anything like that; I'm talking about somebody whose obligation will be separate and distinct from the other directors of that corporation, although he may have a coincident concern about the major things which under most circumstances will preoccupy the boards of directors of those companies.

I think it must be so in the resource industry. I think it is absolutely essential in the resource industry. I think it is probably essential in every major corporation doing business in the Province of Ontario, whether there is a foreign ownership element or not.

Mr. Singer: Public or private?

Mr. Renwick: I'm talking about certain sizes of corporations. It may well be that since we have abolished the distinction between public and private, we are for practical purposes—I don't happen to believe the argu-

ment, but I'm prepared to use it under these circumstances—we are not going to be perfect about what we are doing, but we can at least try. I don't buy that, because I've never believed in the theory of perfectability or that that was any argument against trying to do a particular thing.

I would guess that you could take the major companies which are operative in the Province of Ontario—and the Financial Times lists those that are operative across Canada every year, the 100 or whatever it is—and you could say to those companies, particularly if they were in the resource industry, whether they are controlled from abroad or not, that there must be a public-interest director or directors.

Mr. Singer: What would you do with Eaton's?

Mr. Renwick: Listen, I spent my whole theoretic corporate career hung up on what I would do with the T. Eaton Co. So far as I'm concerned, I'd disband it. I don't know, I'd destroy the family structure.

But I'm not going to allow the T. Eaton Company to deflect me from what I'm involved in, because anybody who now knows the T. Eaton family structure of that company, knows very well that there is a substantial public involvement in the T. Eaton Co., maybe in ways that somebody doesn't understand. If you want to make an exception because of an archaic conception of the T. Eaton Co., I'll accept it. I spent my whole life being asked, on every corporate problem, what am I going to do about the T. Eaton Co. All I do is buy my clothes there; that's all I can do about the T. Eaton Co.

I'm talking about International Nickel; I'm talking about Texasgulf, regardless of CDC having whatever the percentage of ownership is; I'm talking about the major participants in the pulp and paper industry in the Province of Ontario; I'm talking about the major part of those oil companies which happen to have their head offices in the Province of Ontario—if we have any jurisdiction to do this.

But I am also talking about many companies which are much smaller than that. One of the strangest things we have to understand, and those of us who have spent some time thinking about company law have got to understand, is that in the United States, ownership and control were divorced. We were all brought up under the mythology that was the problem—ownership and control were divorced. The real problem was the managerial revolution, and the control of the managers, and the apathy of the shareholders, and the inability of the shareholders to exercise their franchise, and all of that.

Control in Canada of industry—in the Province of Ontario—through the corporate mechanism of direct investment, existed because ownership and control were in the same place. We have got to understand that if we're interested conceptually at all, with respect to the control of the economy of the Province of Ontario, then we've got to look at it in terms, a) of substance; and b) of the extent to which ownership and control are vested abroad. In those circumstances, and particularly in the resource industry, I simply throw out to the minister for what it is worth a relatively old idea that there should be something called the public-interest director.

Mr. Chairman: Is item 5 carried?

Mr. Singer: What does the minister have to say on that?

Mr. Chairman: Has the minister any comment?

Hon. Mr. Clement: My officials are aware of this concept. Apparently it's as the member for Riverdale states.

Mr. Renwick: Nothing new under the sun.

Hon. Mr. Clement: It's not particularly novel. There must be a conflict of interest arising between this public director that you visualize, the one that reflects the public interest, and his duties to the corporation under the Business Corporations Act as it now exists. Perhaps this is not the place to debate it, but I detect in the member's earlier remarks some longing that he and I perhaps have not got together to share a Coca-Cola or soft drink. Maybe that might be the place over which we can further discuss this at some time in the future.

Mr. Renwick: I want to make one comment about that, because that is precisely what prompted my remarks. Not the fact that we haven't had a drink, because I know we could do that whenever opportunity permitted.

Hon. Mr. Clement: How about right now?

Mr. Renwick: What concerns me is that the Premier of the province (Mr. Davis) in Ottawa before the—I think it was the Canadian Club—

Mr. Singer: You're not looking for notes again?

Mr. Renwick: —before the Rotary Club in Ottawa, he went on about this question. Strangely enough it was on April 17, 1972. He said a number of things, but along about pages 11 and 12 he explained about the American domination of certain segments of the Canadian economy. He said, it wasn't a governmental policy of the United States, that it was formulated in the board rooms of companies and corporations throughout the United States. And he said, in the way in which all Conservative and Liberal apologists for United States domination of our economy say it: "For the most part, their corporate intrusions"—what a delightful term—"into Canada used to be welcomed and even encouraged; indeed in some quarters they still are."

But in any event, his solution was to provide that—so far as the constitutional authority of the Province of Ontario was concerned—there was to be a majority of Canadian citizens as directors.

We pointed out at that time, very clearly, that the duty of a director who was a Canadian citizen, under present corporate law, was to the corporation. It was not to shareholders, not to Canada, not to Ontario, not to Premier Davis, not to the Conservative government—that the duty of that director under corporate law was to the corporation.

Nevertheless, the government passed that legislation, trying to suggest to us that somehow or other, because a majority of them were Canadian citizens, that it was going to be different; that: "Yes, they were the same as all other directors"—but they would bring a significant Canadian aspect to their determination of the supervision and management of the affairs of these corporations.

Well the minister cannot stand up now and say to me that my conception—rudimentary as it is—of a public-interest director means that, for practical purposes, they must have a different duty. If they have to have a different duty, that is why they call them public-interest directors. That's why I say their appointment must be subject to the approval of the government of Ontario.

If necessary, I would go so far as to say they should be paid by the government of Ontario to look after the public interest in the board rooms of the companies whose destinies are controlled by those who have both the ownership and the control. And that has to do with foreign control and it has to do with domestic control of those persons who are so involved in the North American economy that they cannot distinguish the Ontario interest, the Canadian interest, from the interest of the capital which is invested in those companies.

All right, I am quite certain it won't happen. I just want to put it on the record. I happen to feel relatively strongly about it.

Mr. Chairman: Shall item 5 carry?

Mr. Singer: Well, I will talk.

Mr. Chairman: The hon. member for Downsview.

Mr. Singer: I was listening with some interest to the hon. member for Riverdale. The concept he puts forward has a certain uniqueness to it. I am not sure quite how it would work with him. I know in advance of him we derided the concept of Canadian citizen directors.

I think it is a bunch of window dressing the government embarked upon. I don't think the fact that our statutes have been amended to insist upon a certain quotient of Canadian citizen directors really means anything.

The obvious way around it is so easy and so facile that it amazed me one of the prominent Tories in this province, Eddie Goodman, came in one day when he wanted a private bill, and said: "We believe in the idea that the government has." He was talking about some private bill for a mining company. What was the company?

Mr. Renwick: Oh yes; it was that company which the member for Sarnia (Mr. Bullbrook) said they wanted to move to Ireland—

Mr. Singer: To New Brunswick—because it was closer to Ireland. Yes, that was a great concept. He didn't want to break the spirit of the legislation that we passed, even though he could break it in law, and quite legally.

So really, the nonsense we have heard about Canadian control has been mammoth. I don't know that it has fooled anybody, really. The government has made the appropriate noises and pretended to be nationalistic; if being nationalistic is really worthwhile. But I am not sure the insertion of a public-service director—

Mr. Renwick: Public interest!

Mr. Singer: —a public-interest director is really going to change very much. If you have one director the minister nominates out of 25, I don't know how much good he is going to do or how much bad he is going to do.

I remember my friend, the member for Riverdale, when he embarked upon a different career several years ago. He had a directorship or two which he was reluctant to give up. He felt he was a public-service director and he found, really, that after a while his having the title and having the office really didn't mean very much. I just wonder if his concept was carried into legislation, what meaningful effect it would have.

I would be much more convinced if the government, rather than mouthing this nationalism or this chauvinism that we hear so frequently from government benches, drafted its legislation in such a form—and we can do it; we've used the words before—that there would be real Canadian control, if that's what the government had in mind. I'm not sure that's what they had—well I'm darned sure that isn't what they had in mind. They paid lip-service to a concept.

I'm not sure that the kind of tokenism the hon. member for Riverdale is talking about is any more meaningful than what the government has done. And I'm really not sure we want to build a wall along the 49th parallel. I think that's something we should seriously consider amongst all ourselves and try to figure out really whether or not Canada can hack it on its own completely. It's a very very interesting concept that perhaps we should examine much more thoroughly and at greater length.

Mr. Chairman, if we do get around to that kind of thinking, there are some people who think that one of the answers that we might have to inflation is to build an iron wall at the 49th parallel, cut off our connections with other countries in the world, particularly our neighbours in the United States, and begin to control everything – prices, profits and wages. We can't do it unilaterally. The tokenism is mouthed from the NDP, or even from the government – and when they brought this amendment forward I said it was tokenism—

Mr. Taylor: Careful now.

Mr. Singer: I don't think the hon. member for Riverdale is doing anything more than making a tokenistic speech, and I don't think that tokenism is really very impressive. If he was prepared to say: "Let us cut ourselves off and be unique in the world and govern our own future," I might be a little more impressed. Similarly with the government.

I don't know if the minister is desirous of expanding on this new legislation, which to my mind is meaningless. Or even if the hon. member for Riverdale is desirous of expanding on his magnificent new concept, which apparently is going to be the cure-all for so many ills that we suffer.

I would like to know if, either on the government side or the NDP side, they really believe that we can do it by ourselves. And if they really believe that we can do it by ourselves, apart from our neighbours to the south and the rest of the world, I'd like to hear them say that out loud and then bring forward appropriate legislation that would perhaps really attempt to do it.

Mr. Renwick: Well Mr. Chairman, when the hon. member for Downsview accuses me of tokenism, I know I've stumbled upon a substantial idea.

Mr. Chairman: Shall item 5 carry? Carried.

Item 6. The hon. member for Nickel Belt.

Mr. Laughren: Thank you, Mr. Chairman. Can the minister indicate to me if this is the part of his estimates where we can talk about a consumer problem? Can we talk about real estate under this vote?

Hon. Mr. Clement: Yes.

Mr. Laughren: Well what do you know?

A month or two ago I was exchanging some correspondence with my colleague from Sudbury (Mr. Germa), and he showed me some of the letters from the Minister of Consumer and Commercial Relations in which the minister started out every letter by saying: "I do not have to justify the existence of my ministry—" and then proceeded to explain why he couldn't do anything about the problem the hon. member for Sudbury was bringing to him. And I've encountered that, too.

Hon. Mr. Clement: I'll bet you can't show me one letter saying that.

Mr. Laughren: Ah yes, I can! Oh yes, I can!

Hon. Mr. Clement: Show me one.

Mr. Laughren: Well, when the hon. member for Sudbury gets here, I'll get him to dig out those letters. I'll get him to dig them out.

Mr. Taylor: Call his bluff.

Mr. Laughren: I don't carry the files of the hon. member for Sudbury around with me.

When I approach the minister about a

consumer problem, he refers me to none other than Beryl Plumptre in Ottawa. That's some solution, I'll tell you!

When it comes to real estate problems, of course, those of us in the Sudbury area have had the kind of training that would equip us to be an ombudsman in the real estate field, or perhaps even to be a minister in a government—not a Tory government, I assure you, but in a government.

I am puzzled by something that has happened in the Sudbury area. I won't dredge up all the old material about what happened to that great Conservative bagman in the Sudbury basin, Ross Shouldice, and why he has not been prosecuted to this date for the things he did in the Sudbury area; but I would like a question answered by the minister, and it does have to do with Ross Shouldice.

You remember, Mr. Chairman, how Ross Shouldice created a fiasco in numerous places in the mid-north; in Sudbury, in Wahnapitae, in Blind River—where they went bankrupt—and in Chelmsford. And to this day there has been no prosecution, except in Blind River—where he was acquitted, by the way.

But in the community of Chelmsford, a subdivision was created in which Mr. Shouldice was the key figure. It was built in stages. In the last stage that was built, people made their down payments—anywhere from $500 to $2,000—and proceeded to make mortgage payments.

And, by the way, when they made their down payment they asked the real estate man: "What about a lawyer?" The reply: "Oh don't worry; we'll look after that. We'll save you a legal fee. You just get it done through our lawyers." Being short of funds in the first place, they proceeded to do so. It's fine to say that nobody should let the seller act on their behalf in legal matters, but they were short of money. That's why they were buying homes in that location in the first place. And they did just that; and that was folly, of course.

But those people made their down payments, and made their monthly payments for from six months to a year. Then, suddenly, they received a letter from the bank telling them that from now on they should pay their rent to the bank. Well you can imagine the consternation of those people to be told they should continue to pay rent; when all the time they thought they were paying off their mortgage, since they had made a down payment.

Lo and behold, it turned out to be a fact that they really were renting and had not bought those properties. I suppose by now there must be about 80 or 90 homes, maybe 100, that have been repossessed and have been taken over by CMHC, which guaranteed the mortgages.

The question I want to ask the minister is: How in the world was his ministry able to continue to sit there, despite numerous pleas, and not take any legal action against Ross Shouldice and his cronies for that kind of swindle in Chelmsford?

In the last correspondence I had with the minister, he said: "Get in touch with the Crown attorney in Sudbury." Of course, the Crown attorney at this point was deeply involved in the General Hospital problem with the deaths as a result of the gas lines being switched. He was not interested. I shouldn't say he wasn't interested, it was just almost impossible to get hold of the man. But the point is not whether he was busy or not, but rather why has the ministry not prosecuted Ross Shouldice for that fiasco?

I know the minister took offence in one letter at the continual references of the Sudbury-area members to Ross Shouldice as the "Conservative Party bagman," and said that it had nothing to do with his freedom from prosecution for his real estate deals in the Sudbury area. Well I would like him to explain to us why we shouldn't be thinking those things and why the ministry has not done everything it can to bring justice to those people who were shafted by Ross Shouldice and company.

Hon. Mr. Clement: First, Mr. Chairman, we are touching on a subject which, of course, is well known to both the member and myself; but I must say I do not recall ever writing a letter to him or any of his colleagues saying, "I do not have to justify the position taken by the ministry." Because that isn't my wording, and I am inclined to think he is pulling my leg in that area.

I do know that I get a fair number of inquiries—not from this particular member—but from some of his colleagues in that particular area of Ontario. They often deal with matters which, unfortunately, are within another jurisdiction. We always try and direct them to the agency of the federal government having jurisdiction. If I have directed him to Mrs. Plumptre, as he indicated, I only hope his association with her has been most pleasant and beneficial to his constituents.

With reference to Mr. Shouldice: Mr. Shouldice stood trial—where was it—in Blind

River. And is the member suggesting that his acquittal had anything to do with his alleged political association? Is the member suggesting that the court was sufficiently impressed, and as a result of that impression gave a favourable verdict?

Mr. Laughren: I am suggesting that there might be a relationship between the fact that there have been no prosecutions for his activities in the Sudbury area as a result of a lack of fervour on the part of this ministry.

Hon. Mr. Clement: All right. You must remember, when we are talking in terms of prosecutions I want to get it clear as to exactly what you and I are talking about. Are we talking about prosecutions under perhaps the Criminal Code or prosecutions under the Real Estate and Business Brokers Act? We don't use that word prosecutions per se, but I can say this, that a Dr. Gerrard and a Dr. Cartain have forwarded to my ministry and to the Crown attorney in Sudbury, Mr. Takach, medical certificates saying that he is not fit to stand trial at the present time.

Mr. Laughren: Is that recently?

Hon. Mr. Clement: Yes, the most recent letter emanated out of my ministry on Oct. 17 to Mr. Takach asking certain questions. Also a letter went out last Friday to the solicitors representing Mr. Shouldice, and this is at the tribunal hearing—I want to make this clear—under the Real Estate and Business Brokers Act.

As the member knows, if a person supplies medical evidence in an acceptable form then the tribunal, or the court as the case may be, has no alternative but to rely on that till such time as it is demonstrated that it is not pertinent. That's where the situation stands today.

This ministry has no reason to not go ahead and process it before the tribunal. I don't want to speculate on the outcome of it. That is not my function and it would be improper of me to do so.

People did buy property up in that Chelmsford area. They thought they took a deed and took a mortgage. They didn't. It was under an agreement of purchase and sale.

It's regrettable that inquiries were not made. Obviously, from the way I understand it, they did rely on certain alleged representations made to them. Unfortunately, they have lost some of their down payments. But we cannot ever legislate decency, we cannot legislate to make sure that everyone complies with the law; all we can do is be vigilant and if we see a breach of it initiate the proper procedure to bring those people to either justice or to the tribunal or whatever agency happens to be dealing with it.

Mr. Laughren: Mr. Chairman, could I ask the minister another question? You indicated that there was a possibility of an appearance before the real estate tribunal?

Hon. Mr. Clement: Oh, yes.

Mr. Laughren: All right. Was that to do specifically with that subdivision in Chelmsford? Is that the one he cannot appear at because of his health?

Hon. Mr. Clement: Mr. Chairman, allegations have been made against Mr. Shouldice for alleged breaches of the Real Estate and Business Brokers Act arising out of his capacity as a registered broker. Those things must be dealt with by the commercial registration appeal tribunal under the Act. This is the procedure to which I refer.

This procedure, if we could speculate for a moment, if someone was brought before the tribunal, a broker—not Mr. Shouldice, I'll talk generally—and that tribunal found that he or she had breached provisions of that particular statute, then the tribunal would inflict a penalty which could amount to suspension or cancellation of that broker's licence. It would not restore a single home to a person who had been a victim. It would not replace a mortgage. It wouldn't do any of that. Those are civil matters that would have to be dealt with by a civil court. But it would deal with his capacity to operate as a person licensed under a particular statute, in this case as a real estate broker.

Mr. Laughren: You mentioned allegations. It is those allegations I was trying to get at. Are those allegations as a result of his dealings specifically with the subdivision in Chelmsford or do they go much broader than that? Do you know?

Hon. Mr. Clement: Mr. Chairman, I can't tell you accurately. I can look it up and find out. Was Silhouette the Chelmsford one? It does relate to Silhouette. Whether it goes further into other areas, I don't know. I am sorry, I have forgotten.

Mr. Chairman: The member for Nipissing.

Mr. R. S. Smith (Nipissing): I have just one question of the minister in regard to this matter. It is fine that Mr. Shouldice appears to have become ill and his doctors say that he can't appear before this tribunal, but it

really doesn't do much for the people who have lost their money or lost their down payment.

The fact of the matter is, is any assistance being given to those people to take other actions in other courts to recoup from Mr. Shouldice the moneys they have lost; from Mr. Shouldice and his other associates?

Hon. Mr. Clement: There is no government programme per se to restore people who allegedly have lost moneys as a result of dealing with a certain individual. There is legal aid available to people in this province who qualify for it. The member knows full well about that. These people can seek their own legal advice.

The fact that the medical condition of Mr. Shouldice apparently precludes him from appearing before the tribunal would in no way affect the right of any person to bring an action against him for damages arising out of these transactions which have been the substance of the whole matter.

Mr. R. S. Smith: But there is no assistance being provided to those people who have suffered the loss.

The other thing is, does the Real Estate and Business Brokers Act not carry any provision or the real estate brokers association; or is there not somewhere facility so people can appeal to get their moneys refunded to them as they can where a member of your profession creates some kind of wrong toward a client? Is there no place the person can go without going to the courts; if in fact this hearing is held before the tribunal and Mr. Shouldice is found to be in fault of the law and regulations set up under the Act?

Hon. Mr. Clement: No, Mr. Chairman, there isn't. It would be tremendous if the victim of every type of fraud and chicanery in this province had available to him a source of funds to restore him to his original position. You have named me the compensation fund that is available to clients of lawyers who have stolen or mishandled clients' funds. That compensation fund is in no way available to a client who has been negligently handled. It is only available to a client who has been the victim of a theft or a fraud practised on him by his solicitor.

Mr. Singer: No, but to be fair, there is compulsory negligence insurance.

Hon. Mr. Clement: There is compulsory insurance, mandatorily carried by each solicitor practising in this province To have a registration as a broker, there is a bond paid into my ministry in the sum of $5,000.

Mr. Laughren: They can draw on that.

Hon. Mr. Clement: They can draw on that, once they have obtained a judgement against him or demonstrated to the registrar that he in fact has breached—

Mr. Singer: Not for damages!

Hon. Mr. Clement: There has been no finding made yet by the registrar.

Mr. R. S. Smith: Obviously the bond of $5,000 is rather ridiculous when you consider the scope of the charges that have been laid and the amounts of money that have been lost by an awful lot of people. Is it not time you looked at changing that to make that bond $100,000 or some worthwhile amount so that at least there would be some protection for people who do deal through real estate brokers?

Hon. Mr. Clement: Mr. Chairman, there is not a bond, there is not a sum available for someone who says a broker cheated him. There is not a fund available for somebody who says a travel agent has taken his money and lost it. There is not a fund available to me if a television repairman wrecks my TV and I relied on his integrity and ability in repairing it.

Mr. Laughren: Come on, you are talking about a house.

Mr. R. S. Smith: But you don't license these people; you license brokers.

Hon. Mr. Clement: We do license brokers, and I can tell you that the demands on bonds for brokers breaching the Act last year totalled something like $20,000. I think there were four of them that were forfeit because they went bankrupt or something of that nature.

What I suggest you are doing is misconstruing the role of the Act. The Act is to regulate and set guidelines for their conduct. If a person licensed under that Act practises a fraud or misrepresents something resulting in a victim losing a substantial sum of money, his only recourse is to the courts. There is nothing unique in this. It's been going on since man began.

Mr. R. S. Smith: I am not suggesting there is anything unique in it, other than the fact that there are other organizations which do provide redress for those people who have

been defrauded of their money by members of their association or their profession. There is no reason why it couldn't be done in this profession as well under the brokers Act, because you do license the brokers.

You don't license television repairmen, so don't bring them into the situation at all, because you don't have any legislation—so far as I know, at least—that gives you the right to step in. But you do have the right under the brokers Act, which you could amend to provide for some type of compensation for those people who have been done out of their money by guys like Shouldice. Let's face it.

Hon. Mr. Clement: I do not know whether we are getting anywhere on this, Mr. Chairman.

You refer to the Law Society. You say there are other groups. Off the top of my head, the only one I know is the Law Society, which has been in existence as a self-regulating group for over 100 years. The real estate and business brokers have not been in existence as a group or as a professional class for that period of time. It's regulated by statute. The Law Society has its own Act. It's supported now by legislation of this province. It's a voluntary programme that was initiated a number of years ago for the very obvious reason there was a need. I presume it has been operating responsibly, and therefore government has not seen fit to step in and operate the Law Society on behalf of the public.

The government has, in the instance of real estate and business brokers, seen fit to come in and regulate for a number of years and to protect the public as much as possible, but not for all damages that grow from the fact that the man sold a faulty house or something that in fact did not exist in the mind of the purchaser.

I have said it, and will say it forever and ever, people must help themselves as well as looking to someone else to help them. That doesn't cure the ill that's been created, but you've got to look after yourself and secure some kind of advice. If a person is going to buy a home, I would urge him to get professional advice to protect his own interest.

Mr. R. S. Smith: In some of these cases we are discussing here – in this particular case, Shouldice, Silhouette and this whole group – were not some of the legal people acting for both the vendor and the purchaser?

Hon. Mr. Clement: I understand that was in fact the case.

Mr. R. S. Smith: What protection did these people have under that type of a setup, where the legal adviser of Mr. Shouldice was also acting on behalf of the purchaser?

Hon. Mr. Clement: I think we're now into the realm of legal advice. If someone felt there was a conflict of interest between their solicitor and the person on the other side of the deal, the proper course to follow would be to report it to the Law Society for investigation to see if, in fact, the solicitor or solicitors involved had been guilty of any professional misconduct.

Mr. R. S. Smith: Do you not believe it would be in the realm of reality for the province to perhaps legislate against that type of conflict before it can be given an opportunity to start?

Hon. Mr. Clement: The canons of legal ethics embodied by the Law Society take some position on it. I think they say—I know I'm going to be corrected, because I haven't read it for a long time—but it's something to the effect that it is not encouraged, and in the event that a conflict shall arise, the lawyer shall disclose the conflict and refuse to act for either party.

I'm probably putting it much too simply but, as I recall, that is the position in the canons of legal ethics. I would perhaps refer you to your friend in the front benches there who is an outstanding example of an ethical practitioner.

Mr. Chairman: The member for Downsview has the floor.

Mr. Singer: Mr. Chairman, I cannot resist this any longer. I've been amazed at the footwork that the minister has been displaying in the exchange with my colleague from Nipissing. My colleague from Nipissing makes a very, very good point. You've been dodging on apparent technicalities and trying to amaze him or confuse him with technical language in talking about the difference between lawyers and real estate agents and responsibility.

He makes a simple plea that has validity. He suggests that where the government has assumed a responsibility, the government should do something more than perhaps suspend or slap a broker on the wrist. They should give some kind of protection in addition, as the Law Society has seen fit to do; because the Law Society, granted it's an

older society, has responded to public pressure because there has been concern in the public mind. The Law Society hasn't been noted for moving in advance of public opinion. It's moved when public opinion has pushed it to move. The compensation fund came only after serious defalcations and the compulsory negligence insurance came only after there was great concern in the public mind about what to do with negligent lawyers. The difficulty of establishing negligence still has not been overcome.

But what my colleague from Nipissing is beginning to talk about—and I think it is valid and I think it is worth a moment or two of our time—is that when you assume the responsibility for purporting to control by licensing, real estate agents, real estate brokers, developers—in a later vote here, land registration and so on—is it sufficient for the day when you say there has been a villain and we're going to take away his right to carry on business and that's it?

The minister threw in, and I'm sure by accident, travel agents. I've had great difficulty in trying to figure out what government policy is on travel agents. Are you going to affix some responsibility by law to travel agents?

Mr. Renwick: No.

Mr. Singer: He had a magic system that he has never expanded upon, and maybe one of the 100 statutes that the House leader is holding up has something to do with travel agents.

Mr. Renwick: It is a nation-wide problem and he has to wait for Ottawa.

Mr. Singer: Hasn't the day come when the government responsibility in these fields exceeds the legal niceties that the minister enunciates to my colleague from Nipissing?

Mr. Renwick: Or, going the other way, Metro Toronto?

Mr. Singer: Isn't there some responsibility? Let's look at Whiterock for a minute. Leave Shouldice alone; let's look at Whiterock. We still haven't cleared up the Whiterock situation. We've allowed a firm to carry on business and to victimize an awful lot of people in this province. The courts have said they didn't get good title; and we have passed an amazing piece of legislation that says if the local municipality will petition the government the government might pass an order. Poor suckers got taken in by the Whiterock kind of scheme and the checkerboarding, but if the local municipality passes an order and the government sees fit in due course to do something else, they might validate titles.

What my colleague is talking about is, isn't there an overriding government responsibility so far as real estate brokers are concerned, in so far as the acceptance of documents for registration, in so far as enforcing the Planning Act, and in so far as when the legislation doesn't do what it purports to do and good Ontario citizens get sucked in and lose their money, shouldn't there be a responsibility on government?

He is not talking about the ethics and the canons of practice of the legal profession that go back over 100 and some odd years. The minister knows as I do that the Law Society is moved only under great pressure, and the Law Society, somewhat after the event, keeps a reasonable lid on these events so that the outcry against the Law Society doesn't become so great. I hold no great brief for the Law Society's great leadership in these kind of advances, but we are talking about real estate brokers, we are talking about people who victimize Ontario citizens. My friend makes the plea, and I think a valid plea, that the government, having accepted a responsibility for registration, then should go further and try to protect the people who are hurt. He says, "Why haven't you done it?" You haven't answered him. I don't know what you are going to do about travel agents, which is the same kind of thing. I don't know what you are going to do about Whiterock, but it is the same kind of thing.

My friend talks about real estate brokers and Shouldice. That is the kind of thing he is talking about. Don't try to amaze him with footwork, because I know what you are trying to do to him and what he is trying to say to you. Wrestle with the problem he has put to you.

Hon. Mr. Clement: I can't resist that, because I want to know something and I am sure that my friend from Downsview, who can provide me with most of my answers, will provide me with the answer I am seeking right now. We are talking about a particular person and we are talking about certain allegations. I stress that they are only at this point allegations and I think we must all agree with that.

Mr. Laughren: Rather they will be, until you get your tribunal in here.

Hon. Mr. Clement: They are allegations until proven otherwise. Why hasn't someone, or perhaps they have—I don't know—brought an action for damages arising out of this

alleged conduct or misconduct in the Chelmsford area and perhaps in the Nipissing or North Bay areas?

Mr. Singer: Do you want to add Whiterock to that?

Hon. Mr. Clement: Has there been an action started to recover civil damages? I don't know.

Mr. Renwick: It is too iffy and too costly.

Hon. Mr. Clement: And so government therefore should pick up the bill.

Mr. Singer: If you want to talk particularly about Whiterock, I will tell you why no one has brought an action against Whiterock. It is because it has no assets. It has no assets any more. All that money that the good Ontario citizens put up has gone and the people who took it are unattackable. They are judgement proof, and you know that.

Mr. R. S. Smith: In so far as the Silhouette and Mr. Shouldice are concerned, certainly whether the people have taken action or not is really not the question. I don't know whether they have or not, but most of the people that I know of who lost money in there, really don't have the funds to take the action.

But secondly, if after the tribunal does finally have this hearing, and Mr. Shouldice regains his lost health and all this other type of thing, and it finally does come to a hearing after four or five years, and he is found in contravention of your regulations in your Act, then the government I think has a responsibility to have something in the Act which will give redress to those people who have lost their funds.

Mr. Shouldice in the meantime could spend all his money and go broke and go to Florida and go to other places. He has been all around. You couldn't find him for a long time. You looked for him for half a year or a year or something before you found him right here in Toronto. Obviously the man could divest himself of the funds that he has, or may have, taken from these people illegally and there is no protection for him.

What I am suggesting to you is that instead of having a $5,000 bond, you have a $150,000 or a $200,000 bond applicable under the Act to these brokers so that if a person is found in contravention of the regulations or of the Act itself that there are these funds available for the people who have lost their money. It may well be that by the time they get Shouldice out of his sickbed and into your hearing and if he is found guilty, the moneys could be all gone and what difference does it make? They could go to all the courts in the country and if Shouldice has got rid of the money, it doesn't matter a damn and you know that as well as I.

Mr. Chairman: The member for Ottawa Centre.

Mr. M. Cassidy (Ottawa Centre): Mr. Chairman, I would like to broaden this argument with a discussion. I would like to ask the minister a question about the examinations that are now held for real estate brokers after the training course which is now offered, I believe, by the department. How many people registered for that training in the most recent period that you have; how many took the examinations; and how many were qualified or passed? Has the minister got figures on that, please?

Hon. Mr. Clement: The course is a 90-hour course taught at quite a few community colleges. I do have figures and can provide the member with them if you will bear with me for a moment. The ministry does not operate the course. It is operated by the real estate industry. There are two options available to the applicant for such a course. He can take a full-time course for three weeks or take it over a period of several weeks at night sort of thing. In 1973, 7,701 individuals took examinations for agent salesmen, 950 for brokers. Are you interested in the figures for the previous year?

Mr. Cassidy: No. I would like to know how many of those people passed those examinations?

Mr. Renwick: All of them.

Hon. Mr. Clement: I will have to provide you with that. I can't tell you how many passed out of the number that wrote the exam. I don't have it available right here in front of me.

Mr. Cassidy: Mr. Chairman, according to the Toronto Star, in the period between May, 1973, and May, 1974, nearly 7,000 new salesmen were registered in Ontario, which suggests a pass rate of around 85 to 90 per cent. If the minister's figure is accurate, about 7,700 people have taken the exam as agents, which raises a pretty serious question about the validity of the examination. I don't want to talk about the validity of the courses that are offered, but I would suggest that the standards of the examination are not particularly high when 85 to 90 per cent of

the people who take the course are in fact passing it.

That suggests, in turn, that since the real estate industry is running these courses, they are not taking seriously the suggestions that were made when the courses were originally brought in, that there should be some kind of deterrent to people who would come in to the industry on a part-time basis and would tend to depress the average level of income in real estate for people who wanted to make that a career.

I would just like to express a concern which I have had for a long time and which, incidentally, has been raised today in an article in the Toronto Star—which the minister may have had a look at—about the fact that in Ontario the fee that is paid as commission on real estate transactions is a very important contributor to the inflation of real estate prices. The minister knows perfectly well —he must have known from his days as a lawyer down in the Niagara Falls area—that when somebody turns around to sell a house or a piece of property that for some reason they are turning over quickly, whether by design or by accident, change of plans and so on, they automatically seek to get back net at least what they had to pay for the property.

That means that, for the sake of argument, if it's a $30,000 property, they add on what they had to pay their lawyer to do the transaction, and they add on what they expect to pay the real estate agent in his fee, and then they set their price and they add a bit more in in order to give themselves some daylight for negotiation purposes.

That means that every time real estate has changed hands over the inflationary period of the last three or four years, people have been automatically building in the five or six per cent commissions which are normally charged in the real estate industry these days. We have even heard talk that, despite the rising prices, the industry would like to raise those fees to seven or to eight per cent.

As far as the Star's research is concerned, the ministry officials have simply shown no interest at all in finding out whether there isn't a better way, and no concern over the fact that if half of your entrants to the field leave it every year, and if the turnover in real estate sales is immense, and if a large number of the people who are real estate agents or brokers are, in fact, only part-time, then clearly there are some questions to be raised about the quality of service that is being offered to the public. A lot of people are just playing games in real estate and are not really particularly serious about it. They are not offering a professional kind of service and yet the fees they are being given would reflect a professional kind of fee structure.

It would seem to me that there are two or three courses that are open to the ministry. One would be that the Ministry of Consumer and Commercial Relations, when it's wearing its hat of consumer protection—which I know is rarely—would seek to provide information to prospective purchasers and to prospective vendors, to equip them so that those who wished could, in fact, sell their own property with the aid of an appraiser and of a lawyer.

Secondly, the ministry should look seriously in large municipalities at the possibility of setting up some kind of a registry of residential property for sale in order that people who didn't wish to get into the five and six per cent commission business could list their homes and make them publicly available to people who wanted to check the card or the index, without having to go through the medium of a real estate agent, making a consequent saving.

Thirdly, the ministry should sit down with the industry itself and say, "When the average price of homes in Metro Toronto is $58,000 and the commission is running about five per cent, that's equal to somewhere between $2,000 and $3,000 per sale. That looks a bit excessive to us. We would like to know [I think the minister should be saying this to the industry] we would like to know whether there aren't any ways in which the costs can be cut. And what is it that is going wrong? Why is it that it costs $2,000 or $3,000 to sell a home when the sales of many other commodities, goods and so on are carried out much more efficiently and for much less money? Now what's wrong?" But the ministry hasn't done that at all.

Despite the fact that the minister freely talks about controlling the real estate industry through the registration that is covered under this particular vote, the registration is simply a matter of financial probity, good character and passing the examination—nothing more. There appears to be no concern at all shown in the ministry about the inflationary effects of the real estate fee structure or about any alternatives to it that might exist in order to improve the situation and, incidentally, to protect the consumer. Maybe the minister could give me some answers on that.

Hon. Mr. Clement: Mr. Chairman, the

mandatory course for brokers and salesmen has been in effect in this province since July, 1971, I believe, and has been developed by the ministry and the real estate industry itself. The real estate industry is very interested in securing good applicants for induction into the course and subsequent employment within the industry. I am advised by my officials that to the best of their recollection, approximately 70 per cent of the salesmen writing the exam last year passed, and approximately 65 per cent of the brokers.

Now, as for this ministry sitting down with the real estate industry and saying, "We think your commissions are too high," firstly, real estate brokers have been charging five, six and seven per cent, depending on the type of property, and as much as 10 per cent on certain rural properties, as long as I can remember. I don't visualize it as the role of my ministry to tell somebody else what I think they should earn. I think that you rely on the natural influences of the marketplace to make that determination.

With respect to the hon. member's suggestion for a registry showing houses that are not listed with brokers, I don't know what assurance the prospective purchaser of such a house would have, that by going to that one, I am going to get it much less than if I went and dealt through a broker. I suppose I might have the word of the vendor who says he is not going to load on any expenses. There is nothing illegal about a person trying to recover his loss in a home or any investment, including his legal expenses, brokerage, repairs, maintenance, upkeep, taxes—there is nothing illegal about that. That is part of the system we find ourselves in, in a democratic country.

Mr. Cassidy: In a capitalist country.

Hon. Mr. Clement: Well, there are those of us on this side of the House who seem to subscribe to the theory of capitalism in spite of what you say—

Mr. Cassidy: You sure do. Social Darwinism. That's what the Star calls it.

Hon. Mr. Clement: I for one am not going to sit down and suggest to anybody that I think they are making too much in their particular area of activity, be it a realtor, a lawyer, a politician or anybody else.

The real estate industry in this province has attracted a number of people. I read the article very slightly today. I perused it quickly. I'm referring to the number of people who have taken the exam. I know, I suppose, of eight or 10 who have written exams just for their own edification in terms of personal education. They had no intention of ever going to work and selling real estate. They have written exams and passed them.

You made some comment about the exams being too easy. I have no comment to offer other than this observation. I've had a number of members of this House and a number of members of the public come to me over the last two years and lament that the exam was much too difficult. Some of the incidents were rather startling. I've had people come to me who sold real estate for five, six and 10 years before it was regulated in this form requiring educational minimums.

They got out of the business for a number of years and then came in since this new legislation was effective. There was a grandfather clause protecting those who were already in the business when the educational requirement became mandatory. It is not retroactive and so those who were in it before and then out of it for some reason and came back since that date had to write the exam. Some of them received atrocious marks and have asked me if there was some way they could be assisted.

I had to point out to them that it was astounding to me that they were allowed to sell a commodity such as real estate for a number of years and how, in fact, they ever derived a living because they were drawing up agreements involving at least two parties in most instances and usually involving rather substantial sums of money. This, to me, points out the wisdom of having such minimum training requirements.

The exam is not a walk-away. It's not an easy exam. People are subjected to a number of hours of lectures. I think that the move in the right direction would be to increase the requirements even more, raise the minimums, make them higher insofar as requirements are concerned and make the people a little more profound in their knowledge of real estate law.

Mr. Cassidy: Mr. Chairman, I appreciate what the minister says. It may be that, given this philosophy, the only way that he can move is to raise the educational requirements in order to discourage some of the fringe applicants from coming into the trade.

Beyond that, though, it would seem to me that he was making a speech which he can now send out to all of the real estate agents who are supporters of the Conservative Party and tell them: "It's okay, boys. Don't get

worried by my title of Minister of Consumer and Commercial Relations because I'm not about to protect the consumer." The minister is not at all alarmed by the fact that the average real estate commission on the sale of a house has doubled over the course of the life of this government, since the price of the average property sold in—

Hon. Mr. Clement: Since when?

Mr. Cassidy: Since the last three years. I've got the figures back in my office.

Hon. Mr. Clement: The commissions have doubled?

Mr. Cassidy: Yes, that's right.

Mr. Lawlor: Sure they have.

Mr. Cassidy: In 1971, the average price of a house sold in Toronto was about $31,000. In August and September of this year, the average price of a house sold in Toronto was about $58,000, just under double. That means that the average real estate commission in three years has doubled or just about. We've got an inflationary situation—

Mr. Lawlor: It's a short time since they increased the percentage, didn't they?

Mr. Renwick: Don't be so sceptical. You know that, Mr. Minister.

Mr. Cassidy: That's what has happened. I want to read what happens now. Remember, there are also a lot of people who are getting sucked into the real estate industry. It's a bit like running hotels in northern Vermont. John Kenneth Galbraith has talked about the outflow of capital from the cities into rural areas of the United States, and it must happen here in Ontario as well. There are rural inns, for example, which are perpetually maintained by having every two or three years a new set of owners who come out with $20,000 in their pocket and a set of ideals about the kind of service they can offer and so forth.

This happens in the real estate industry as well. The amounts of money the poor people put into it are rather smaller. They sell two or three houses to aunts, uncles and friends and so forth. Then they get into hard times, and after they've used up their own capital after three months or six months, or a year in the trade, they get out. They haven't contributed anything to the real estate trade. They may have come out wiser but actions would still take place.

sadder, but I would suggest that it's a heck of a way to run this particular kind of trade.

Here's what United Trust is advertising in tonight's Toronto Star, the same day that the Toronto Star was reporting that more than half of the people who entered the real estate industry would surely leave it within 12 months:

> Only 11 days left to join the next group of real estate moneymakers. If your present job isn't making you the kind of money you feel you're worth, now is the time to move into real estate with United Trust.

Now is the time, given the kind of stagnation on the market. That's very interesting.

Then United Trust goes on in rather equivocal fashion and says: "Our sales are breaking records every week." The records are presumably the fact that they've bottomed out at the lowest level in four or five years. Nevertheless, that's the pitch that they've put on. It is misleading advertising, and the minister might even get in touch with his fellow counterparts and take United Trust to court for this kind of thing, because their sales aren't breaking records and everybody knows it. They are desperately trying to move anything on the market, because of high interest rates and other problems.

Then they go on to tell who you call—United Trust and Shipmans up in Ottawa, and LePage, Keith and the rest of them. They are cycling in hundreds of dewy-eyed real estate brokers every week—

Hon. Mr. Clement: Dewy-eyed?

Mr. Cassidy: They are dewy-eyed; many of them are awfully naïve. And they are shunting them out at the other end, wiser and poorer, after a few months. But in the meantime, it is the public that is buying houses that has got to support a cost structure sufficient to keep some of those marginal operators in the business and to provide a sort of average income—of $8,000, $9.000 or $10,000 a year—for far too many real estate brokers.

You get a whole bunch of real estate people knocking on doors, hounding the public and doing all sorts of things in order to get listings, because that is part of the name of the game. You get poor little old widow ladies being hounded to death to sell their properties by these real estate agents who have to make a living somehow. Frankly, if most of them didn't exist, I would have thought that most of those property trans-

In fact, if there were better information services available, I would have thought that your buyer and your vendor could be in the market and be better equipped to cope with the market than they are today, when they have to cope with high-pressure salesmen who are trying to move property at whatever price to whoever will buy, regardless of the circumstances and regardless of the need of various people for different kinds of services, be it going in a gold-plated luxury Cadillac limousine to look at the best properties in the Bridle Path at a seven per cent commission on the one hand, down to the guy who simply wants to look through a catalogue and see two or three properties that will probably suit him and going and taking them.

The idea that there is a personal service being paid for, and that there is a personally tailored service being paid for, is nuts in many of these cases. If you phone you are shunted on to a particular broker who is guarding a property jealously because he is not only competing against other companies, but also against other real estate agents within his particular firm. The whole thing is a ridiculous kind of situation.

I think that the ministry, far from tolerating a price structure which has existed for a long time, should be holding an inquiry and getting the federal combines investigation branch involved into looking at how it is that the real estate brokers of this province should almost unanimously be charging a fee of five per cent on exclusive listings and six per cent on multiple listings in contravention of the federal Combines Investigation Act and Restrictive Trade Practices Act.

Why doesn't the minister do that and protect the consumer for a change, rather than simply sticking around with his real estate buddies?

Hon. Mr. Clement: Mr. Chairman, I appreciate the tribute from the member for Ottawa Centre, with his usual charm. If he will read the Speech from the Throne of the federal government, he will perhaps notice that the federal government is taking a look at this very practice that he deplores to see if it is in fact a combine or in breach of federal legislation. So he would have me hold an inquiry, inviting the federal people to come in while they are presumably enacting their own legislation dealing with the real estate industry under the Competition Bill and then also launching an investigation with probably subsequent prosecution under the combines investigation legislation.

All these things sound easy: Why don't we have an investigation to do this and do that and run around in all different directions? The real estate industry in this province has attracted a number of people—it is referred to in the Star article mentioned by the member, it has attracted a number of people, many of whom have been very successful and many of whom have not been successful. It is not the only business or industry that attracts people.

Mr. J. R. Breithaupt (Kitchener): It is true in politics too.

Hon. Mr. Clements: It is true in politics; of course it is. It is true in the life insurance business. It is true in many forms of business. Unfortunately for many, they don't make a success of it in their own mind; they are not fulfilled financially and otherwise. I like your reference to a dewy-eyed real estate salesman; I have never met a dewy-eyed real estate salesman in my life. I have seen a few with red eyes; I never saw one with dew.

Mr. Singer: Tears in their eyes.

Hon. Mr. Clement: This is an article that shows a certain trend in a particular industry. As I mentioned earlier, people who have taken the course and written the exams and qualified to be agents or salesmen have no intention of doing it or intend to use it in connection with some other line of work. I tell you the real estate industry is not in a deplorable condition. It is now highly competitive. It is now drawing to the attention of many people that they are not merely order takers, as they were a number of years ago, and perhaps not too many months ago. They have to work. Some of them are prepared to work and do very well. Some, for one reason or another, decline to continue in that particular area of activity.

But I think that insofar as his comments are concerned with the industry that he alleges is a combine, I have no comment to offer on that. The federal government has that jurisdiction.

Mr. Cassidy: Do you protect consumers or not?

Hon. Mr. Clement: I protect as many people as I possibly can. And that doesn't mean that you gore everybody around you always on behalf of one particular individual or group. You try to act responsibly, bearing in mind the responsibilities that you have to all groups. Believe it or not, real estate agents, in their own capacities, are consumers too. We find that that applies to most of the

businesses in this province. Not only are they in business, but they too consume goods and services. I have to deal with all of them. I have to deal with them, bearing in mind the interests of all.

Mr. Cassidy: Well, I'm glad it is on paper.

Mr. Chairman: The hon. member for Windsor-Walkerville.

Mr. B. Newman (Windsor-Walkerville): Thank you, Mr. Chairman. I don't want to talk on this particular issue at all, but I do want to ask the minister, seeing that he was present in the House at the time we debated an Act to control the fund-raising corporations, if he is planning legislation that would once and for all solve the problem of the fund-raising organization that is in the business solely to make money rather than to raise funds for the legitimate organization for which it was originally intended to raise funds.

Hon. Mr. Clement: Mr. Chairman, the Business Practices Act, the first reading of which has been made in this House, will certainly preclude the continuation of a good number of these practices. That Act, as the member probably recalls, provides for cease and desist orders and we will utilize that to preclude the continuation of some of these practices that he and I have discussed in the past arising out of charities or alleged charity activities.

Mr. B. Newman: If I may, Mr. Chairman, I would ask of the minister, after reading his report and noticing that the number of complaints for pyramid sales increased from 85 in 1972 to 185 in 1973, if he is still having a lot of complaints and if he is looking into a series of organizations that I intend to mention to him after he replies to the question.

Hon. Mr. Clement: It has been the observation of the ministry over the past year, Mr. Chairman, that the number of pyramid dealers has been diminishing, substantially diminishing. There are only a very few—I believe three—left in the province that we are aware of and their activities may well have been expanded. I am not particularly disturbed by the number of complaints. As a matter of fact, I am heartened by the number of complaints that we received in 1973 over the previous year because legislation did not come into effect until I believe June 1972, and people were not aware that there was any government legislation dealing with this type of business or commercial activity.

The fact that we have more complaints now does not indicate to me an increase in the activity, but a spreading of the knowledge of the fact that we do have legislation, and that we have programmes now destined to recover moneys for consumers who become involved in this type of activity. In 1973 we recovered some $80,000-odd for people who entered these business arrangements and decided for one reason or another to opt out within the period provided.

There are three of them licensed right now in the province.

Mr. B. Newman: Have you anything on Steed Automotive of Canada at all? They were one of the companies he had complained about and this goes back I think to some time in June of this year—Steed Automotive.

Hon. Mr. Clement: The name is certainly very familiar to me. They are not licensed in this province. I am trying to recollect. It seems to me they went into bankruptcy and no longer do business, but I will have to undertake with the member to get that information back to him. I don't recall it. I recall the company, but I don't recall its present status.

Mr. B. Newman: Mr. Steel makes mention that he had asked you to stop the Steed firm during the summertime. They may have gone into bankruptcy. I don't know. But I'll appreciate receiving the information from the minister, either by a letter or some other way.

I wanted to ask him if Versilex Sales are completely defunct and no longer operating as a pyramid, and also if Golden Products and Bestline are no longer taking the Ontario public for a ride?

Hon. Mr. Clement: Bestline is still operating in Ontario. As to the other two you named, I'll just have to get this information from my registrar who is present here.

I would like to make one thing clear. I don't recollect having any discussion with Mr. Steel from the Windsor paper relating to pyramidic sales. I do recall having a telephone conversation with Mr. Steel during the summer months relating to a certain company in the Windsor area but I recall absolutely no conversation dealing with pyramidic sales organizations with that particular gentleman.

Mr. B. Newman: It may not have been with you, Mr. Minister, but it certainly was with some of your officials, because his comment says the Star Alert had asked the registrar to move in to stop the Steed firm last summer when they were conducting a sales campaign in Windsor.

Now, the other item. I wanted to ask the minister if he was aware of legislation that was introduced in the US Congress concerning a consumer products testing Act. This may be federal and not provincial, and as a result may not be your responsibility, but this type of legislation would have required manufacturers of a wide array of goods, ranging from TV sets to electric toothbrushes, to give meaningful, objective facts that would enable the purchaser to make valid product comparisons. Are you considering anything in that line at all? Is it not your responsibility, Mr. Minister?

Mr. Renwick: No, it is not his.

Mr. B. Newman: All right, then. The other suggestions that are made in the legislation sponsored by Senator Warren Magnussen from the State of Washington all deal with exactly the same type of topic. I won't raise them, then.

Mr. Chairman: The hon. member for Riverdale.

Mr. Renwick: I have seven minutes. Is the House leader going to move that the House sit beyond 10:30 tonight so we could finish these estimates tonight? It is very seldom you have such a request from—

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): It is not 10:30 and I am sure you will accomplish everything that's in your mind by 10:30.

Mr. Renwick: I will have to do it very quickly, because I have an important engagement tomorrow—in Carleton East. I am going to go and sew up the NDP vote.

I have exactly three matters and I am not even going to ask the minister to comment upon them because they would probably take the six minutes to do it. If I can do it in three, perhaps the minister will reply.

First of all, if I could start at the far end, even though we are not on that vote, I would just like to say that I am sorry to miss the opportunity of dealing with the provincial censor. I don't think we are going to reach him by 10:30 and I won't be here tomorrow, but I hope that the provincial censor will do as adequate a job as his predecessor has done.

I would also hope that the whole range of censorship under the Theatres Act would be reviewed by the ministry, because I don't think really, despite the way in which Mr. Silverthorne has dealt with the problem, that it can just go on without a good hard look at the Theatres Act and the censorship provisions of that Act. I know it's a touchy subject and I know it's a difficult one and I think we are very fortunate in what has happened in Ontario in the way in which the response has been made to the changing mores and attitudes of people. I know I am not on that vote.

I have two questions on this particular vote. One is, is the minister doing anything about the franchise legislation which he was studying as long as two years ago? He was going to have a searching review made of the whole franchising question, and of course we haven't seen any results, tangible or otherwise, of what his decision is in that field.

Also, I would ask the minister to comment very briefly if he would on the study which was submitted to him by Prof. Jacob Segal which the students at the York University Osgoode Hall Law School had done on the question of the small claims court and the inadequacy of those courts so far as the protection of the consumer is concerned.

The statistics there are shocking, but they bear out what other studies have done in other jurisdictions, and that is that in the small claims courts, so far as consumer protection with respect to disputes related to goods is concerned, the great bulk of the claims in those courts are made by the creditor, represented, and very few of them are supported by decisions in favour of defendants, most of whom are unprotected. I'm sure that the minister has that report. I know it was sent to him by Prof. Segal. In the short time that is available I can't go into the details in connection with it.

The third area I would have liked to have dealt with is the question of the commercial registration appeal tribunal. It would appear to me, and I haven't done my homework as I should have done it but from what I can gather, a substantial number of the decisions of the registrars—whose principal job is to provide for the protection of the consumer through the enforcement of the licensing provisions—were reversed by the appeal tribunal. I am suggesting to you that in the two booklets that we have received of the decisions of the tribunal, on the statistics

which are available to us, for reasons which appear to me to be subject to question the commercial registration appeal tribunal is in fact overruling the registrars who are perforce charged with the protection of the public interest. Somehow or other there is something which appears to me to be wrong about the appeals tribunal. I don't know what it is, but it is certainly reflected in the way in which it has failed to give, in my judgement, valid reasons for failing to uphold the registrars' decisions.

Mr. Chairman: Just before you answer that, could we carry item 6, then go on to item 7? Carried. Okay, Mr. Minister, answer on item 7.

Hon. Mr. Clement: I would just like to comment in reverse order, bearing in mind that we are running short of time. I think it is somewhat refreshing that the commercial registration appeal tribunal is not, in effect, rubber-stamping the decision of the registrars. I think this should demonstrate that there is a definite separation, not only physically but perhaps in attitude and in approach to the problems that come before CRAT, as we call it, as opposed to the registrars. There have been articles written—there was one in an Ottawa paper some months ago—suggesting that it was ineffective, and I suggest that that is simply not the case.

It provides another vehicle for the person who has a tremendous amount of money invested in a business and finds himself suspended for a certain term for, say, rolling back odometers or something like this, that he can go to another hearing and, in some instances, be successful or have the penalty modified. I think to that extent it has been a very successful operation.

Insofar as the students from York are concerned, and the brief that they have prepared, I did receive the brief. In fact, I met with their professor and with a number of the students who had worked on that particular project. The question that has been touched on is the adequacy of the small claims courts. We referred that down to my colleague, the Attorney General (Mr. Welch), for his observation and comments. I think the work that was demonstrated by that group and the enthusiasm in particular was very refreshing, as far as I was concerned.

With reference to the franchise legislation, I do not intend to go ahead this session with any legislation. I have had to establish in my own mind certain priorities insofar as the legislative programme is concerned affecting my ministry, and I've had to make certain selections, which time will indicate are correct or perhaps incorrect. I will be proceeding with that type of legislative programme this session.

I have not abandoned the franchise legislation which came out of the Grange report; I have no right to abandon it. Hopefully, sometime some other session we will be proceeding with it—perhaps next year—but I will not be proceeding with it this session because time just simply won't permit.

Votes 1302 to 1305, inclusive, agreed to.

On vote 1306:

Mr. Renwick: Is vote 1306 the registrar general?

Mr. Chairman: Yes.

Mr. Renwick: My colleague, the member for Ottawa Centre, asked me to ask one question on his behalf, since he is not in the House, as to whether or not it is practicable that birth, marriage and death certificates be issued in the French language if and when requested, so that they can be registered either bilingually or in either one of the official languages.

Hon. Mr. Clement: It can be done and is being done. We have about 2,000 a year requested in French and about 400,000 in the English language.

Mr. Cassidy: Just to close up, I was just talking to Mr. Humphries, not expecting this would come up during the course of debate. Would the minister please very seriously consider making available bilingual birth certificates as a matter of course across the province? Clearly, as Mr. Humphries has said, the French-only birth certificates are only available to people who write in French. Many people are not aware of that service and it is not available for either marriage or death certificates. Also the French birth certificates have been rejected and cause difficulty for people seeking to cross the border.

Hon. Mr. Clement: Mr. Chairman, I don't think I can go ahead complying with the member's request until such time as all legal documents are prepared in both languages. I don't see why we would single out birth, marriage and death certificates to be in both languages, whereas other documents relating to legal matters are primarily in the English language in this province.

Mr. Cassidy: Well, those are the major things, though. I would just ask the minister to consider that.

Vote 1306 agreed to.

Mr. Chairman: This completes the estimates of the Ministry of Consumer and Commercial Relations.

Hon. Mr. Winkler moves the committee rise and report it has come to certain resolutions.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report certain resolutions and asks for leave to sit again.

Report agreed to.

Mr. J. R. Breithaupt (Kitchener): Mr. Speaker, just before the adjournment of the House I want to confirm with the House leader our activities for the remainder of this week. It is my understanding that now that the Revenue estimates have finished in committee we will proceed in committee starting Thursday afternoon with Transportation and Communications, which is the last of the estimates to go into committee. Tomorrow we will spend an additional day, I believe, on Health. The House will not sit, nor will committee, on Wednesday, and on Thursday we will go on with Education. Can the House leader confirm those items just so we all know on agreement what we are going to be doing?

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Yes, Mr. Speaker. That was the original arrangement as the estimates were listed and called and that's the way it will be, to the best of my knowledge.

Mr. J. E. Stokes (Thunder Bay): Does the House sit on Nov. 11?

Mr. J. A. Renwick (Riverdale): Before the House adjourns will the House leader answer just one other question? As I understand it the House will not sit on Monday of next week—is that correct?

Hon. Mr. Winkler: That is correct.

Mr. Renwick: And what was the order of business for Friday? That would complete it for us.

Hon. Mr. Winkler: Friday of this week?

Mr. Renwick: Yes.

Hon. Mr. Winkler: At the moment we haven't gone as far as Friday, Mr. Speaker. Immediately we have that clarified I will certainly let my hon. friend know.

Hon. Mr. Winkler moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10:35 o'clock, p.m.

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Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Ninth Legislature

Tuesday, November 5, 1974

Afternoon Session

Speaker: Honourable Russell Daniel Rowe

Clerk: Roderick Lewis, QC

THE QUEEN'S PRINTER
PARLIAMENT BUILDINGS, TORONTO
1974

10

Price per session, $10.00. Address, Clerk of the House, Parliament Bldgs., Toronto

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, NOVEMBER 5, 1974

The House met at 2 o'clock, p.m.

Prayers.

Hon. M. Birch (Provincial Secretary for Social Development): Mr. Speaker, I would like to introduce to you, and to the members of this Legislature, 60 grade 7 and 8 students from St. Brendan's Separate School in West Hill. Would you join with me in welcoming them to the Legislature?

Hon. J. W. Snow (Minister of Government Services): Mr. Speaker, I would like to take this opportunity to introduce to the members of the House a group of some 60 students from the Oakville-Trafalgar High School in Oakville who are visiting with us today; I believe some are in each gallery.

Mr. E. P. Morningstar (Welland): Mr. Speaker, I would like the hon. members of the Legislature to know that today we are honoured to have Mrs. Esther Arthur with 55 members of the Women's Progressive Conservative Group of Welland in the east gallery, along with some campaign managers from the great riding of Welland. I would like you, Mr. Speaker, and all hon. members to join with me in extending to these charming ladies a very warm welcome.

Mr. Speaker: The member for Ottawa East.

Mr. A. J. Roy (Ottawa East): Mr. Speaker, I rise on a question of privilege under standing order 42(a) and (b) pertaining to certain statements made on Oct. 28 by the member for Ottawa Centre (Mr. Cassidy), statements reported extensively in the Ottawa paper, which statements are false.

Mr. Speaker, the member for Ottawa Centre stated on that date that the former member for Carleton East bought land from a man whose widow, Mrs. Nesbitt, is now destitute, for a few thousand dollars; and that this land is currently for sale for $500,000.

Mr. Speaker, these statements are false. Mr. Lawrence bought 18 acres some 15 years ago for approximately $3,000 per acre, which land was developed some 12 years ago. The land that is presently up for sale for $500,000, Mr. Speaker, was bought from a Dr. Niven, is called Niven's Woods and has nothing to do with Mrs. Nesbitt.

The member went on to say, Mr. Speaker, that Mrs. Nesbitt lives in federally assisted rent-controlled housing. Mr. Speaker, this statement is false. She is in the family home and lives on 3½ acres of land in Rothwell Heights, which is on the outskirts of Ottawa, and which, Mr. Speaker, is probably worth something like $30,000 per acre. The house and property are looked after by the estate.

The member for Ottawa Centre went on to state, Mr. Speaker, that she is practically destitute. I have talked to the widow, Mrs. Nesbitt, the executors of the estate and the lawyers involved, and am advised that she gets adequate income from the estate, and as well is getting old-age pension. She has advised me she has always been honourably treated by the former member for Carleton East.

I state, Mr. Speaker, that the member for Ottawa Centre, who is clearly shown to be wrong, should withdraw or apologize to these people, or have the courage to repeat these statements outside of the House.

Some hon. members: Resign.

Mr. Roy: Mr. Speaker, in closing may I state that we strongly condemn such statements made—

Mr. Speaker: I would say that the hon. member's privileges have not been trespassed in here. I can't check into the facts.

Mr. S. Lewis (Scarborough West): That's a coup de grace for political purposes. Some point of personal privilege that was.

Mr. M. Cassidy (Ottawa Centre): On a point of privilege, Mr. Speaker—

Mr. Speaker: Order, please. There was no point of privilege. I listened the member out because—

Mr. Cassidy: Mr. Speaker—

Mr. Speaker: Order, please. The Speaker is on his feet.

Mr. Lewis: There is a point of privilege now.

Mr. Speaker: All right. Just a moment, please.

Interjections by hon. members.

Mr. Speaker: Will the hon. member take his seat when the Speaker is on his feet, please?

Mr. I. Deans (Wentworth): He has taken his seat.

Mr. Speaker: Order, please. I can see quite well from here, thank you. The member rose on a point of personal privilege, and I listened to him merely out—

Mr. Roy: That is a privilege—the privilege of the House not to be lied to.

Mr. Speaker: Well, I fail to see where anybody's rights and privileges were trespassed in the fact that someone may have issued—may have issued, I say—wrong information. I know nothing about the facts so I can't rule on that; nor should I. Does the hon. member for Ottawa Centre wish to correct something?

Mr. Cassidy: Mr. Speaker, the member for Ottawa East has stated that I made false statements to the House.

Mr. Roy: No, it was a lie.

Mr. Cassidy: He said I lied to the House, which is not parliamentary.

Mr. Roy: I challenge him to repeat that outside the House.

Mr. Cassidy: I think that if the member for Ottawa East had cared to speak with me personally, we could have determined exactly what the facts were.

Some hon. members: Oh, oh!

An hon. member: This is the House, not a private deal.

Mr. Speaker: Order, please. This is developing into a debate which is completely out of order.

Mr. Cassidy: On a point of privilege, Mr. Speaker—

Mr. Speaker: What is your point of privilege?

Mr. Roy: Why doesn't he repeat it outside? Why doesn't he go outside right now?

Mr. Cassidy: I would ask the member for Ottawa East to withdraw the statement that he made, and if there is an opportunity in the House I will make a statement about the facts concerning Mrs. Nesbitt.

Mr. Roy: Mr. Speaker, I am quite prepared to step outside with the member for Ottawa Centre and—

Hon. A. Grossman (Provincial Secretary for Resources Development): I'll be the referee.

An hon. member: How about the TV rights?

Mr. Speaker: Maybe that is where it should be settled. Order, please.

Statements by the ministry.

Oral questions.

The hon. Leader of the Opposition.

SUGAR BEET INDUSTRY

Mr. R. F. Nixon (Leader of the Opposition): Thank you, Mr. Speaker.

I'd like to ask the Minister of Agriculture and Food, in light of the announcement today of a further substantial increase in the cost of sugar, if any further negotiations are going on between his ministry and the Department of Agriculture for Canada, or the agricultural people in the southwestern part of Ontario, about re-establishing a sugar beet industry here so that we can be at least partially self-sufficient in meeting our sugar requirements in view of these increased costs.

Hon. W. A. Stewart (Minister of Agriculture and Food): Mr. Speaker, I have had discussions with the federal Minister of Agriculture within the last three weeks on this very subject. He, at that time, was exploring the possibility of having a national sugar policy established for Canada. He, at that time, was not able to give me any direct answer but told me and assured me that he is pursuing it with some vigour because most of us, and I am sure the people of Ontario, share the conviction that there should be a sugar beet industry re-established in Ontario. But there would be little sense in doing it until the federal government comes around to the point of establishing a national sugar policy for Canada, as some other nations have seen fit to do.

Mr. R. F. Nixon: A supplementary: Since the minister is prepared to put it on that footing in his answer, does he not recall that when the sugar beet industry closed down, he shared at least part of the responsibility with the then Minister of Agriculture in not

giving public support to the industry, which would have tided it over the days when the prices were so low that it could not justify its continuation here, so that it would still be in operation now that it certainly would be justified. And would he not—

Hon. W. D. McKeough (Minister of Energy): Nonsense.

Mr. R. F. Nixon: What does the minister mean, "nonsense"? It was in his area that he allowed it to close. He was the member.

Hon. Mr. McKeough: There is no blame attached to us—

Mr. R. F. Nixon: The government wanted it closed down.

Interjections by hon. members.

Mr. R. F. Nixon: It was the government's inadequate policy.

Interjection by an hon. member.

Mr. R. F. Nixon: I'm apologizing for nothing.

Mr. J. R. Breithaupt (Kitchener): Has the government no responsibility?

Mr. R. F. Nixon: I would like to ask the minister if any of those facilities remain which—

Interjection by an hon. member.

Mr. R. F. Nixon: —have to start with a clean sheet without any of the facilities that could be established.

Hon. Mr. Stewart: Mr. Speaker, my hon. friend knows full well that at the time the industry went down the drain, as he describes it—

Mr. R. F. Nixon: That's where it went.

Hon. Mr. Stewart: —it was because there was no federal policy established—

Mr. Breithaupt: Nor a provincial policy!

Interjections by hon. members.

Hon. Mr. Stewart: Regardless of how upset our friends across the aisle may be—

Mr. Speaker: Order, please.

Hon. Mr. Stewart: —they know full well that when Joe Greene was Minister of Agriculture—

Mr. R. F. Nixon: And a good minister he was.

Mr. Breithaupt: And who was the provincial minister?

Interjections by hon. members.

Hon. Mr. Stewart: —at that time there was no possible way that we could persuade the federal government to establish a national policy for sugar. We urged them to do that. As a matter of fact, we have maintained the Sugar Beet Growers' Marketing Board to this day. They are still there. And every one of them will suggest to you, Mr. Speaker—

Mr. Breithaupt: The minister will be sorry he ever said it.

Interjections by hon. members.

Hon. Mr. Stewart: —that as soon as the federal government makes up its mind to say that a certain percentage of sugar used in Canada will be produced in Canada, we will have no difficulty in re-establishing the sugar industry in Ontario.

Mr. R. F. Nixon: A supplementary.

Mr. Speaker: A further question?

Mr. R. F. Nixon: I would like to ask the minister if he does not feel that in view of the current price of sugar, which is over 50 cents a pound, we could have an economic, competitive sugar-producing industry here, even though, in his view, the federal government does not meet his minimum requirements.

Hon. Mr. Stewart: Yes, Mr. Speaker.

Mr. R. F. Nixon: Well, why don't we get on with it?

Hon. Mr. Stewart: All right, I'll tell the member why we don't get on with it.

Mr. Speaker: Order, please.

Hon. Mr. Stewart: We won't get on with it because the members opposite would lead the farmers into getting into this business again and they would lead the industry into getting into the business again—

Mr. J. E. Bullbrook (Sarnia): The minister is sweet-talking us.

Mr. R. F Nixon: The way the minister led them in the beef industry

Interjections by hon. members.

Hon. Mr. Stewart: —then, when the world price of sugar slumps, if and when the world price of sugar slumps, those same farmers and the industry would be left with their equip-

ment and the industry would be left with plants that it wouldn't know what to do with.

Interjections by hon. members.

Hon. Mr. Stewart: And that's the reason we need a national policy.

Mr. Speaker: Any further questions?

Mr. R. F. Nixon: I'd like to ask the Treasurer—

Interjections by hon. members.

Hon. Mr. Grossman: You put him up to the question.

Mr. Bullbrook: A lot of sweet talk.

Mr. Speaker: Order, please. The hon. Leader of the Opposition has the floor.

Interjections by hon. members.

COSTS OF REGIONAL GOVERNMENT

Mr. R. F. Nixon: I would like to ask the Treasurer when he is going to make a statement on the cost of regional government that was promised earlier in this session, particularly with reference to the problems that are being experienced in Haldimand-Norfolk where the startup costs that have been payable from the provincial Treasury have fallen far short of the expectations? As a matter of fact, from the point of view of the people in Haldimand-Norfolk, they have fallen short of the expectations of the fulfilment of the commitment of the provincial government to meet those costs.

Hon. J. White (Treasurer and Minister of Intergovernmental Affairs): Without accepting the editorializing, as soon as the statement is available.

Mr. R. F. Nixon: Supplementary: Since he felt that the statement was of such importance when the Legislature began two weeks ago, and since the ratepayers down there are being faced with the establishment of mill rates far in excess of what had been expected, wouldn't the minister consider expediting that statement, certainly for the good of those people who are going to have to pay the residual bills in communities like Port Dover, the minister's favourite town, and Waterford?

Hon. Mr. White: Yes, sir, I will do it.

Mr. Speaker: Any further questions?

DOCTORS' PRESCRIPTIONS

Mr. R. F. Nixon: I would like to ask the Minister of Health if he has any comment on the statement made by the president of the Canadian Medical Association, Dr. Stephenson, about the practices of certain practitioners in prescribing drugs, either unnecessarily or in professional error, which have led to probably an increase of five per cent in our Medicare and hospitalization costs. I believe her statement was made just about a day ago.

Hon. F. S. Miller (Minister of Health): Mr. Speaker, at this point in time I cannot make a comment on it. I want to look at it and find out more facts about it.

Mr. R. F. Nixon: Supplementary: Is it in conjunction with any further statement on the province's drug programme itself that the statement might have some particular significance, since there's still substantial, let's say, dissatisfaction with the programme that has been instituted in the last few months for the provision of prescription drugs?

Hon. Mr. Miller: There's always the possibility that the two would be interconnected because there has been some dissatisfaction about certain drugs not in the formulary and as it relates to prescribing habits of physicians. I'm reasonably sure during the debate on estimates which will take place this afternoon this will probably be aired.

AVAILABILITY OF NATURAL GAS

Mr. R. F. Nixon: I would like to ask the Minister of Energy if he can make some further statement that might clarify the apprehensions that have grown from press comments about the availability of natural gas through the three commercial distributing firms in this province, particularly having to do with the apparent unwillingness of the company called Pan-Alberta Gas Ltd., which has the government of Alberta as one of its shareholders, to allow our distributing companies to deal directly with the producers.

Hon. Mr. McKeough: Mr. Speaker, I am delighted to have the opportunity of saying really what we said on Sept. 4 and repeating it here again in the House. I was disturbed about the statement which appeared in Saturday's Globe and Mail which did not emanate from any of the Ontario utilities nor did it emanate from TransCanada PipeLines. On Sept. 4 I said that failing any major breakdown in the TransCanada PipeLine system, we have been advised that there are not expected to be any shortages this winter. This

is an improvement as compared with the supply forecast they made earlier this year.

TransCanada has purchased additional volumes of gas, and has made arrangements for some supplemental supplies from a major exporter. Assuming similar improvements in TransCanada's gas supply position next year, we are hopeful that they will be able to maintain at least 1974-1975 supply levels in 1975-1976. Nothing has come to our attention which would change that opinion. Barring a breakdown of some sort or another, we do not see any gas supply problems this winter and perhaps not even in the winter of 1975-1976.

Mr. R. F. Nixon: Supplementary: Is the minister aware that at least one of the big distributors, Union Gas Ltd., has sent letters to some major users, one example being the Norfolk General Hospital, indicating that they should make plans to convert from gas-fired heating to some alternative since they would have some problems meeting their supply commitments in the next period? Is there any rational reason why the distributors ought to be writing to hospitals in that regard and is there a policy to assist the changeover if it's necessary?

Hon. Mr. McKeough: Mr. Speaker, I dealt with that very fully in the Sept. 4 statement. I would be glad to send the Leader of the Opposition a copy of that statement. The Norfolk General Hospital, which has been in touch with me on, I think, two occasions through the good offices of the member for Haldimand-Norfolk (Mr. Allan), the former Treasurer, is on an interruptible service. They are a large user. It is an interruptible service and that means that they can be interrupted and that they are under a contract. What Union has said is that unless their gas supply situation improves—I don't know for what date as far as they are concerned—that contract will not be renewed.

Mr. Speaker: Any further questions? The hon. member for Scarborough West.

CONSUMERS' GAS RENTAL CHARGES

Mr. Lewis: Can I ask the Minister of Energy a question, Mr. Speaker? Does Consumers' Gas have the right to increase, dramatically, by about 30 per cent, the monthly rental charges it makes for water heaters and conversion burners, without having that approved by the Ontario Energy Board?

Hon. Mr. McKeough: I'm not altogether clear on this, but it's my understanding, Mr. Speaker, through you to the hon. member for Scarborough West, that the Ontario Energy Board approves certain rates, and rates to allow a rate of return. Other matters, if I can call them peripheral, like water heater rentals, for example, would simply be filed with the board. I think it would be correct to say that if the board has authority—and I really don't think it has—in any case the authority has not been traditionally exercised. It's my understanding this morning that they probably don't have the authority to get into that sort of thing.

Mr. Lewis: Well, by way of supplementary: How is that ascertained, since Consumers' Gas is in the process of jacking its rental rates up very high, and for precisely this kind of equipment, much of which has been paid for 10 times over? Is there any way that we can apply, that citizens can apply to the Ontario Energy Board for a hearing to see whether or not these rate increases are legitimate?

Hon. Mr. McKeough: There is a hearing going on, which started yesterday, in terms of their rate of return. I have no doubt that the matter will be raised there. But, specifically, as to whether that's in the board's power or not, that's a question I hope to have answered very quickly.

Mr. Speaker: Supplementary.

Mr. F. Young (Yorkview): Supplementary, Mr. Speaker, to the minister: Would the company also have to apply to the board in order to vary its former contract or understanding in connection with the purchase of a hot-water heater? The understanding was that they should pay for 10 years and then could purchase them for around $1 or $1.09; and now they're asking $50 for that purchase. Would that variation have to go before the board, as well?

Hon. Mr. McKeough: I think this is the same question, with respect, Mr. Speaker. But, no, the board is not a third party to those contracts. That question might well be directed, I suppose, to my colleague, the Minister of Consumer and Commercial Relations (Mr. Clement), who at the moment is busy—but presently the member might give him a new question on the subject when he is listening.

Mr. Lewis: I will leave that to my colleague, the member for High Park (Mr. Shulman), because he is appropriately rapt in conversation with the minister.

Interjections by hon. members.

Mr. Lewis: My advice to the Minister of Consumer and Commercial Relations is that he should sell.

Mr. Breithaupt: What is he going to do with all that corn, anyway?

YORK SANITATION CO.

Mr. Lewis: Mr. Speaker, a question of the Minister of the Environment, if I may: When does his ministry intend to file prosecution charges against the York Sanitation Co. for the violations of his ministerial order and the movement of tonnage much in excess of what has been allowed to the Stouffville-Bremner dump?

Hon. W. Newman (Minister of the Environment): Mr. Speaker, the only violation of the order was in the ordering of the weigh scales to weigh the tonnage going in there. Our people were watching the trucks going in, and were estimated at one point in time they were running over the tonnage which was in the control order. We subsequently notified them that we estimated they were running over. We have a copy of the waybill to show that they ordered the scales when the order went out. The scales, I understand, are now in place and are being used. The only violation of the control order was the fact that the scales to weigh the trucks going in were not available. They were on order from the day the ministerial order went out. I understand the scales are now in and are being used.

Mr. Lewis: When the minister has evidence submitted to him by his own ministry officials of a serious violation of the control order as to the tonnage which is being transported, and the municipalities request prosecution, do they then have to write the Attorney General (Mr. Welch) to ask that the laws be upheld? Does the minister not think that he has an obligation under the Environmental Protection Act to take the company to court rather than let it violate his control order with impunity for several months?

Hon. W. Newman: Mr. Speaker, as far as the control order went on the amount of tonnage going in there, it is the word of the people involved who counted the trucks going in. We originally felt that they were taking in more, and although we originally kept a very close tab on it, we have no way of proving whether they were taking 300 or 325 or 275 tons per day in there.

Now the scales are in and operating, I understand, and we can control it. But can you see laying a charge against somebody when the scales have been ordered—and the scales had been ordered; they have been fulfilling their obligations as far as the ministerial control order is concerned—and were not available?

Mr. Lewis: So the minister has no proof—that is what he is saying—except by counting the number of trucks and estimating tonnage.

Hon. W. Newman: No, we haven't.

Mr. Lewis: That is a very good way of running it.

HEALTH SURVEY OF ELLIOT LAKE MINERS

Mr. Lewis: May I ask a question of the Minister of Health? Is the health survey that has been taken of the Elliot Lake miners now available, and have they been informed of the results of the survey?

Hon. Mr. Miller: My understanding was the individual miner was entitled to findings based on the survey made of him—that they could be given to his physician—and that at no time were we trying to exclude him from knowing what the findings were as they related to him.

I will double-check on the current status of the survey itself—as to whether it has been released or not—and will let the member know at a future question period.

BEEF PRICES

Mr. Lewis: One last question of the Minister of Agriculture and Food, Mr. Speaker: The minister will doubtless have noticed the comments of the hon. John Diefenbaker about the price differentials in supermarkets in Toronto—

Mr. R. F. Nixon: An unimpeachable source.

Mr. Lewis: Unimpeachable is right—in Toronto and Ottawa at the supermarket level for various cuts of beef, compared to what the farmer is receiving at the farm gate.

The Premier (Mr. Davis) indicated the other day that the minister might answer a question on how we can establish what happens to the differential between the 13, 14 or 15 cents a pound that is received by the farmer, and the $1.50 or more a pound that is charged the consumer. Might the minister do that?

Hon. Mr. Stewart: Mr. Speaker, there is no comparison whatever between the 13 or 15 cents a pound that the farmer is supposed to

be receiving for cattle at the farm gate or on the local market in comparison with the price of A-1 and A-2 beef that is being sold over the meat counter in our food outlets.

Mr. Lewis: I understand that.

Hon. Mr. Stewart: That is a completely different type of beef.

Mr. Lewis: Not at all.

Hon. Mr. Stewart: It certainly is, with great respect.

Hon. Mr. Grossman: The member shouldn't argue with the Minister of Agriculture and Food.

Hon. Mr. Stewart: The type of beef from which the A-1 and A-2 beef is produced that is sold over the supermarket counter is selling higher last week and this week in the Toronto market—that is the Ontario stockyards—than it did this time last year.

Mr. Lewis: What is it selling at?

Hon. Mr. Stewart: It is selling at from 50 to 54 cents for steers, and 44 to 47 cents for heifers, in that range. Now that is about $1 to $1.50 a hundred higher than in this week last year.

Mr. Breithaupt: Discrimination.

Hon. Mr. Stewart: The price of the cattle to which my hon. friend refers at 15 to 30 cents a pound are the feeder calves—that is the calves that are being produced on the grass this summer—

Mr. Lewis: No, these were not feeder calves.

Hon. Mr. Stewart: Well, what were they?

Mr. Lewis: They were cattle taken to market, they were not feeder calves.

Hon. Mr. Stewart: Oh well, all right, taken to market. They were probably yearlings off the grass that were selling around 30 cents a pound, but those are not the cows that are producing that kind of beef. That kind of cattle is producing hamburg that is selling today at about 50 per cent of what it was a year ago. I see the Toronto Star carried stories of fresh ground hamburg selling at 74 cents a pound; there were a variety of prices in there at various stores.

So that is substantially less than it was last year because of the use of this lower-grade beef that is coming in from lower-quality cattle. But that high-quality cattle that is producing the beef going over the supermarket shelves is higher than it was last year.

Mr. Lewis: Is the minister satisfied with the discrepancy between the range he has quoted —44 to 54 cents—and the price that is paid by the consumer at the supermarket counter? Is the minister satisfied that that price is a legitimate markup increase, given the difference of $1 to $1.50 between farm gate and cash register?

Hon. Mr. Stewart: Mr. Speaker, as I understand it from studies that have been done by our food council on the markups on beef at the various chain stores, it is a consistent markup to that which pertained for a number of years in chain store prices. This is what we're told, and we have no reason to believe otherwise.

Mr. Cassidy: The minister never checked.

Hon. Mr. Stewart: Yes, we have checked

Mr. Lewis: Has the minister?

Hon. Mr. Stewart: My hon. friend doesn't know that, but we have.

Mr. Speaker: Are there any further questions?

Mr. Lewis: By way of supplementary: Where has the minister checked? What evidence is there in Ontario of big price increases?

Hon. Mr. Stewart: Yes, we have checked. We have checked through the various supermarket outlets and we have checked the price. We know the price of beef going in. We know the breakdown of beef. We know the pounds of meat actually sold from every carcass of beef that goes forward, and the breakdown. We know that the markup on those commodities is about consistent with what it has been in years previous.

Mr. Lewis: Would the minister table the material which his ministry has apparently assembled on the price differential between the farm gate and the cash register?

Hon. Mr. Stewart: I see no reason why that shouldn't be done, Mr. Speaker.

Mr. Lewis: Thank you very much.

Hon. Mr. Grossman: Why doesn't the member ask if the Human Rights Commission knows why a heifer sells for less than a steer?

Mr. Speaker: The member for Ottawa East.

FULLERTON REPORT ON NATIONAL CAPITAL

Mr. Roy: Mr. Speaker, I have a question of the Treasurer. In light of the fact that the Fullerton report dealing with the national capital area was presented to the federal House yesterday, could he advise the House here on the Ontario Government's views pertaining to some of the recommendations about super-government and the national capital being, for instance, on both sides of the Ottawa River.

Hon. Mr. White: Mr. Speaker, I read this report yesterday with very great interest. It is a readable and imaginative document. I have studied, to some extent, the three recommendations addressed to the Ontario government. I don't fully understand the ramifications of those recommendations, although I have had discussions with my own staff, very briefly, and with Mr. Bert Lawrence at noon today, and will be meeting Mr. Ed Gallant at 3 o'clock today. When we have had an opportunity to test the recommendations and come to some understanding of their import, we will have a response to make.

Mr. Roy: Mr. Speaker, if I might ask a supplementary to the minister's answer: Are we going to get a response, or a government position, pertaining to that report prior to obtaining the Treasurer's own report? As he knows, he is having a report about the regional area of Ottawa-Carleton prepared by a professor at Carleton. Are we going to get his response to the Fullerton report prior to the tabling of that other report, which we can't expect for approximately another year?

Hon. Mr. White: I don't know the exact timetable for Prof. Mayo's review—but, surely, it will take a year or two. I think that we are obligated to provide a response of some description to the Fullerton report well before Prof. Mayo's report is released. I wonder, myself, if we should review Prof. Mayo's terms of reference so that he can consider alternatives.

Mr. Cassidy: A supplementary, Mr. Speaker.

Mr. Speaker: The member for Ottawa Centre.

Mr. Cassidy: Is the minister prepared, under any circumstances, to endorse a super-regional government in which one-half of the members of its council will be appointed by federal and provincial government, rather than elected?

Hon. Mr. White: This is the kind of thing I don't want to comment on until I understand the report.

Mr. Speaker: The Provincial Secretary for Resources Development has an answer to a question.

HISTORIC FARMHOUSE

Hon. Mr. Grossman: Mr. Speaker, on Friday last, the hon. member for Ottawa Centre asked me a question—in the absence of the Minister of Transportation and Communications (Mr. Rhodes)—regarding the matter of the Jamieson property near Renfrew; and I offered to get the information. In the absence of my colleague, I would advise the hon. members regarding the current status of the Jamieson house.

This century-old stone house is situated on a right-of-way required immediately for the construction of Highway 417 around Renfrew. The house, along with about 60 acres of Jamieson property, was expropriated by the ministry over a year ago after a hearing of necessity that found the taking to be fair, sound and reasonably necessary.

Mr. Cassidy: But recommended moving the house.

Hon. Mr. Grossman: A subsequent court order gave the ministry possession of the property last Friday, Nov. 1, the date the hon. member asked the question. The contract for the construction of that section of Highway 417 was awarded on the understanding that the contractor could commence construction activity on the property Oct. 15, 1974.

Mr. Speaker, on Thursday afternoon of last week, one day before the possession date —and I might add the day before the hon. member asked the question—the deputy minister and other officials of the Ministry of Transportation and Communications met with a delegation from the Renfrew area interested in the preservation of the house. This delegation included representatives of the Jamieson family, the reeve of the township of Horton, the president of the Ottawa Valley Historical Society and the hon. member for Renfrew South (Mr. Yakabuski).

They expressed the view that there was a growing awareness of the historical significance of the house in the Renfrew area and a strong feeling that it should be re-

tained. They further indicated that the Jamieson family and others interested in the retention of the house were prepared to make a significant contribution to its preservation.

As a result of the meeting it was agreed that the ministry would take possession of the property the following day for the purpose of allowing the contractor entry, but that the house and its occupants would remain undisturbed for the time being. In the interim, both the ministry and the members of the delegation would work toward finding a plan that would allow for the relocation of the house within the time available.

It was agreed that such a plan should not only deal with the immediate problem of funding the relocation of the house, currently estimated to cost around $125,000, and its restoration, but should also provide a mechanism whereby the house would be permanently available to that community as a historical resort.

Mr. Speaker: One supplementary.

Mr. Cassidy: Before this juggernaut goes any further, will the minister consider or agree that the government will consider looking at rerouting the highway rather than having to go through the very expensive and difficult problem of moving the house, which is something that was unnecessary if one considers the other acres and acres that were available for the route in eastern Ontario?

Hon. Mr. Grossman: Mr. Speaker, I am not qualified, nor is the hon. member, to decide what is the best thing to do in that particular situation, as to whether the highway should be relocated or whether it would be better to relocate the house. That's a decision for qualified people to make. Having regard for the fact that the historical society is involved and is concerned, he may rest assured that whatever is the proper thing to do, whatever is the proper method to employ to retain this old farmhouse will be the action that will be taken.

Again, Mr. Speaker, I would suggest that the hon. member knows perfectly well that it isn't quite as simple as he is suggesting. Just to get up in the House and say "relocate the highway" is a simple thing to do. Provided we retain the farmhouse one way or the other, and we'll do whatever is the best thing to do, I think that's the most important thing.

Mr. Speaker: The member for Kitchener.

SAFETY REGULATIONS FOR APARTMENT SCREENS

Mr. Breithaupt: A question, Mr. Speaker, of the Minister of Consumer and Commercial Relations. Following the recent unfortunate death of a five-year-old girl and other deaths of children falling from apartment buildings due to the failure of screens on windows and doorways, will the minister advise us as to what plans he has to influence the industry or bring forth various safety regulations that will prevent this most unfortunate occurrence, which seems to be becoming almost a monthly event in metropolitan areas in Ontario?

Hon. J. T. Clement (Minister of Consumer and Commercial Relations): Mr. Speaker, the Ontario Building Code, which has already been introduced into this House, and in particular the regulations under the code, will reflect legislation prescribing safety devices or equipment which will provide for the locking of screens, and thus hopefully preclude this type of tragedy from reoccurring. But remember that the building code will really deal with new buildings commenced after the implementation of the code.

At the present time the municipalities have the power or jurisdiction to deal with requirements insofar as standards and materials are concerned. I want to assure the House that the regulations under the code have, or will have, legislation by regulation dealing with that sort of thing so that these types of tragedies hopefully will not reoccur in buildings commenced after the code is implemented.

Mr. Breithaupt: Supplementary: Has the minister advised the various municipalities of any standard approaches that could be taken in order to have bylaws which are consistent and which will require either upgrading or improved safety features in this area?

Hon. Mr. Clement: Mr. Speaker, I'm unable to answer that. I haven't personally advised them, and I don't know if my officials have, because most of the municipalities in Ontario today operate under the National Building Code, plus modifications that suit their own character or the climatic needs of that particular municipality. I have not personally communicated with each community nor has my staff, to my knowledge. Whether there are requirements contained in the National Building Code or not, I am not aware. I can't venture any opinion on that at this time.

Mr. Speaker: The hon. member for Ottawa Centre.

CARLETON EAST BY-ELECTION

Mr. Cassidy: Thank you, Mr. Speaker. I have a question of the Treasurer and Minister of Economics and Intergovernmental Affairs. The time for this kind of question is fast ebbing, and I'm sorry that the Premier isn't here to receive it. I would like to ask the minister whether some hints about the government's 1975 campaign strategy are revealed in the fact that Mr. Benoit's main leaflet for the Carleton East by-election mentions, of all the government ministers, only the Treasurer and makes no mention of either the Premier or the Progressive Conservative Party.

Mr. Speaker: Order, please. It seems that that is not an appropriate question for this time.

Hon. Mr. White: I didn't know about this but I'm not surprised.

Interjections by hon. members.

Mr. Speaker: The hon. member for Downsview.

AID TO JEWISH SCHOOLS

Mr. V. M. Singer (Downsview): Mr. Speaker, I have a question of the Minister of Education. Could the Minister of Education advise what arrangements, if any, have been made as between the North York Board of Education, the group representing the Jewish parochial schools and the Ministry of Education insofar as alleviating, if possible, the costs of education of those youngsters who attend these parochials.

Hon. T. L. Wells (Minister of Education): Mr. Speaker, no arrangements have been made at this point in time.

Mr. Singer: By way of supplementary, since the minister is probably aware of the controversy as it was reported in the newspapers, could he tell us what role the ministry has been playing and if anything is contemplated as being possible to arrange?

Hon. Mr. Wells: Mr. Speaker, I think, as my friend knows, there were some approaches made by the Jewish day schools as to how they could qualify for some type of financial assistance. It was suggested that they sit down and talk with the North York Board of Education to see if there was any way that they could come within the ambit of the public system and, of course, they would have to come within the ambit of the public school board to qualify for public grants for their educational system.

They have made these approaches, I understand, to the North York board. The North York board has commissioned a feasibility study which is presently, I think, just about completed. When they receive that they are going to sit down and then review the matter.

All through this piece our regional director of education for the Metropolitan Toronto area has been part of certain discussions that have gone on so that he will know exactly what is happening. He has also been able to present the ministry and government point of view in this particular case. That point of view is that in order to be eligible for financial assistance they must become part of the public educational system of this province. Whether that would be possible or not, I don't know at this point in time.

Mr. Speaker: The member for Sandwich-Riverside.

DONOR CONSENT FORMS

Mr. F. A. Burr (Sandwich-Riverside): Mr. Speaker, I have a question of the Provincial Secretary for Resources Development. In view of the recent announcement concerning the serious shortage of pituitary glands for the treatment of sick children in hospitals, will the minister or the secretary consider speeding up the introduction of the new driver's licence forms which will contain a donor consent form instead of waiting until the supply of old forms is used up many months hence?

Hon. Mr. Grossman: Mr. Speaker, I will take that up with the Minister of Transportation and Communications.

Mr. Speaker: The Minister of Government Services has an answer to a question.

APPRAISAL OF HOMES AT BURWASH

Hon. Mr. Snow: Thank you, Mr. Speaker. I believe it was last Friday the hon. member for Wentworth asked a question on behalf of the member for Sudbury East (Mr. Martel). I would like to reply, if I may.

The question related to a property owned by a Mr. Charles Moore. On October 17, 1974, Mr. Moore was transferred by his ministry from Burwash to Haileybury. He elected to take advantage of the government's employee homeowner assistance plan under which he is guaranteed a fair purchase price for his property. To establish a fair

and reasonable property price, two appraisals were carried out by independent, competent real estate companies in the local area. One appraisal carried out by the firm of W. Bruce Martin of Sudbury established a value of $12,000 for Mr. Moore's property. Another appraisal by the firm of William R. Gray of Sudbury valued the property at $12,300. A committee of the firm of H. Keith Ltd. accepted the Martin appraisal as the more realistic.

I emphasize that these were only appraisals carried out by recognized competent brokers to set a fair value on Mr. Moore's property. He is under no compulsion to accept the appraised value of his home. He can simply withdraw from the plan and proceed to list it with any other realtor. I hope he will be able to sell it for the $16,900 at which he had it independently appraised. If, however, he decides to remain in the plan he is guaranteed a purchase price based on what we consider the fair appraised value

While I cannot positively state today that Mr. Moore agreed to the appraisals, the procedure set out in the plan states that the results of the appraisals shall be made known to an employee within 10 working days and prior to his agreement on the property price.

I should explain that the emplovee homeowner assistance plan is being administered for the government by the real estate company of H. Keith Ltd. This firm was the successful tenderer for the plan administration in response to a public tender call. H. Keith Ltd. does not have an office of its own in Sudbury; it follows the same procedure as many other large firms and employs local associate realtors. Thev have five firms in Sudburv with which they normally do business. This may be the short list the hon. member referred to in his question.

Mr. Speaker, I have copies of the two appraisals, a description of Mr. Moore's house and particulars of the lot, which I would be pleased to show to the hon. member if he wishes to see this additional information.

Mr. Deans: May I ask one supplementary question? Is it necessary for the employee to have the appraisals undertaken bv firms on the list of approved appraisers—approved by Keith, I imagine—or is it possible that one appraisal can be from out of that group of five and one appraisal undertaken by a truly independent appraiser of the employee's choice?

Hon. Mr. Snow: Mr. Speaker, I would certainly hope that the five firms listed are truly independent appraisers. They have to be specialized appraisers.

Mr. Bullbrook: The minister said himself that they are not appraisers; they are brokers.

Hon. Mr. Snow: The two appraisals are paid for by the government; we pay two different firms to appraise these homes. Now if the owner wants to get a third appraisal he is perfectly at his leisure to do so.

Mr. Deans: Supplementary question: Doesn't the minister agree that the owner of the home should be entitled to choose from among any number of appraisers he wishes, to conduct an appraisal on his behalf; and that the government under its programme might then want to have an appraisal conducted by one of their choice—one of the five, for example, set out by Keith—but that if the owner undertakes to have an independent appraisal done, there is no legal status to that appraisal other than that it is information available to the owner, and it doesn't bind the government in any way to accept that?

Hon. Mr. Snow: Mr. Speaker, of course this plan doesn't bind the owner of the home in any way, either. It is a service that was established and which is in operation for its first year in an attempt to make it easier for government employees to be transferred from one location to another, by way of guaranteeing that employee that he will be able to sell his home at supposedly—according to certified appraisals—the current market value for that home.

As I mentioned in this case, there are two appraisals almost identical in price.

Mr. Deans: I worry about that.

Hon. Mr. Snow: These two firms have been selected. If the owner wishes to get an independent appraisal he is perfectly at leisure to do so.

Mr. Speaker: The member for Nipissing.

Mr. R. S. Smith (Nipissing): Mr. Speaker, as a supplementary to that, why did the government enter into this exclusive contract with H. Keith Realty Ltd. which effectively excludes all other brokers in the province doing business with employees of the government who choose to go under the home disposal plan, which also effectively gives the home seller no choice of realtor other than Keith; and which also effectively gives the home seller no choice of legal counsel in so far as who is going to look after his legal

affairs in the sale, as that is left to Keith as well? Why wasn't the brokers' association approached to provide a service under this disposal plan, which would open the plan up to all the brokers across the province on an equal basis?

Hon. Mr. Snow: Mr. Speaker, I detected about 20 questions there.

Mr. R. F. Nixon: All of them good ones.

Mr. Deans. This proves the minister makes a good detective—

Hon. Mr. Snow: Mr. Speaker, this plan, as I tried to explain a few moments ago—the member may not have been listening—

Mr. Singer: It's hard to understand.

Hon. Mr. Snow: It's a plan that was developed to assist members of the civil service who are transferred from one location to another at the request of the government, and to guarantee they will be able to dispose of their homes at a fair price.

Mr. R. F. Nixon: To assist Keith too.

Hon. Mr. Snow: In order to do this—

Mr. R. S. Smith: More to assist Keith.

Mr. J. F. Foulds (Port Arthur): When?

Hon. Mr. Snow: In order to do this, the government advertised by way of public tenders—

Mr. R. S. Smith: All real estate firms?

Hon. Mr. Snow: —and received about 15 or so tenders—I would say 12, anyway; I don't have the list here—

Mr. R. S. Smith: All real estate firms?

Hon. Mr. Snow: —some from trust companies, some from real estate firms. Now I don't know of any realtor that has total provincial coverage. The Keith firm submitted the lowest bid of—

Mr. Bullbrook: Explain that tender call. How do you tender for a job like this?

Hon. Mr. Snow: Well if the hon. member would like to ask that question, I'll get him the full information as to how the job was tendered.

Mr. Bullbrook: All right.

Hon. Mr. Snow: It was tendered on the cost per appraisal, the cost of carrying charges if we have to take the home over from the owner, the commission for reselling it, the amount that would be charged for legal fees for the search and that type of thing. There were several items.

When bids were received, as I say, there were several bidders. They were very carefully scrutinized by members of Management Board, by members of TEIGA and by representatives of my ministry. The recommendation was for the acceptance of the Keith firm's tender.

As I said, no real estate firm has offices in every city or town in the province, so we would expect that any firm that had been successful would have had to use a number of local realtors. In this particular case, the Keith firm have selected five local realtors in Sudbury, whom they would have act as their agents.

Mr. Deans: But why should they do that?

Mr. R. S. Smith: The minister still hasn't answered my question.

Mr. Bullbrook: Supplementary—

Mr. Cassidy: Mr. Speaker, by way of supplementary—

Mr. Speaker: This will be the final supplementary.

Mr. R. S. Smith: Mr. Speaker, my—

Mr. Speaker: Order, please. There have been several supplementaries. The time for the question period has about expired. The member for Nipissing, one supplementary.

Interjection by an hon. member.

Mr. Speaker: Order, please. May I determine whose original question it was?

Mr. Deans: It was in answer to a question—

Mr. Speaker: Well there have been quite a number of supplementary questions. I'll allow one more. The member for Nipissing.

An hon. member: It would be interesting—

Mr. R. S. Smith: What I would really like to know is why Keith was given the right to choose the lawyer for the person who was selling his house, and why the brokers' association of the province was not approached to provide a similar plan so that all the brokers in the province could take part? Those are the key questions the minister has not answered whatsoever.

Mr. Speaker: Order please.

Hon. Mr. Snow: I am not so sure whether the brokers' association was consulted about the setting up of this first tender call—

Mr. Foulds: No, they weren't.

Hon. Mr. Snow: —but certainly it was a public tender call. There were definite specifications as to what the firms bidding were to supply—

Mr. Breithaupt: Who would you?

Hon. Mr. Snow: —and one of the items that was to be supplied by the firm handling the transaction as part of the contract was the legal fees.

Mr. Speaker: I'll allow one question to the New Democratic Party and that'll be the end of the question period.

DUNDAS SEWAGE TREATMENT

Mr. Deans: Thank you, Mr. Speaker. I have a question of the Minister of the Environment.

Does the minister agree that to permit the further expansion of the Dundas sewage treatment plant and to allow for the disposition of the effluent into the marsh area would be detrimental to the overall environment of the area? Will the ministry undertake to provide substantial funding to allow for the further enlarging of the Hamilton sewage treatment plant and the piping of sewage from the Dundas area, to meet that area's future needs, to the Hamilton sewage treatment plant?

Hon. W. Newman: In answer to the member's question, I would be glad to look into it. We have close to 400 projects now under way in the province. In any expansion of treatment plants, we certainly require pretty stringent controls as far as effluent is concerned. But certainly I will look into the matter for the member.

Mr. Speaker: The oral question period has expired.

Petitions.

Presenting reports.

Mr. Nuttall from the miscellaneous estimates committee reported the following resolution:

Resolved: That supply in the following amounts and to defray the expenses of the Ministry of Revenue be granted to Her Majesty for the fiscal year ending March 31, 1975:

Ministry administration programme	$ 3,358,000
Administration of tax programme	15,723,000
Municipal Assessment programme	88,771,000
Guaranteed income and tax credit programme	50,500,000

Mr. Speaker: Motions.

Introduction of bills.

INCOME TAX ACT

Hon. Mr. White moves first reading of bill intituled, An Act to amend the Income Tax Act.

Motion agreed to; first reading of the bill.

Hon. Mr. White: Mr. Speaker, the purpose of this bill is to extend in 1975 the personal income tax rate of 30.5 per cent, which is the lowest rate in Canada; compared to 42.5 in our socialist sister to the west.

Mr. Lewis: Just add in the health insurance premiums we pay. Just add in the OHIP premiums and the Treasurer will find what people are paying.

Hon. Mr. White: The amendments also provide for the increases in the property tax credit and the pensioner tax credit, the maximum deductions for tax credits and the percentage of taxable income to be deducted from the aggregate amount of tax credits as set out in my budget.

The bill also prevents anyone from making a double claim for tax credits through a provision in the federal Income Tax Act. We are also allowing taxpayers four years in which to take advantage of any deductions they may have failed to claim at the time.

MOOSONEE DEVELOPMENT AREA BOARD ACT

Hon. Mr. White moves first reading of bill intituled, An Act to amend the Moosonee Development Area Board Act.

Motion agreed to; first reading of the bill.

Hon. Mr. White: Mr. Speaker, this bill will carry out the proposal, concurred in by the chairman of the Moosonee Development Area Board, to increase the membership of the board from five to seven persons in order to permit more local participation.

ONTARIO MUNICIPAL IMPROVEMENT CORP. ACT

Hon. Mr. White moves first reading of bill intituled, An Act to amend the Ontario Municipal Improvement Corp. Act.

Motion agreed to; first reading of the bill.

Hon. Mr. White: Mr. Speaker, this bill enlarges the objects of the Ontario Municipal Improvement Corp. to permit it to purchase debentures issued by any municipality in Ontario with a population of more than 100,000 for the purpose of erecting or altering a stadium.

ONTARIO PENSIONERS ASSISTANCE ACT

Hon. Mr. White moves first reading of bill intituled An Act to repeal the Ontario Pensioners Assistance Act, 1973.

Motion agreed to; first reading of the bill.

Hon. Mr. White: Mr. Speaker, with the establishment of our historic guaranteed annual income programme for the needy, elderly, blind and disabled this year, we discontinue the interim programme of assistance for the elderly.

Mr. Speaker: Orders of the day.

Clerk of the House: The 20th order, House in committee of supply.

ESTIMATES, MINISTRY OF HEALTH (continued)

On vote 2803:

Mr. Chairman: Vote 2803, item 2. I believe the hon. member for St. George was the first speaker.

Mrs. M. Campbell (St. George): Thank you, Mr. Chairman. I would like to continue with my discussions on the ambulance service. I would like an answer from the minister on if, in fact, it is to be policy that those ambulance services which have been taken over by the government from the private sector at the government's price are to be turned over to former members of the ministry, or if he would elaborate on those which appear to have been finalized.

I also want to look at the matter of morale in the ambulance service. During the time that I was close to that service, I found that the morale was affected by two different problems. One is that these people, these drivers, are required—

Hon. F. S. Miller (Minister of Health): I'm still listening. Honest I am.

Mrs. Campbell: Are you? Well, once you missed on me and I want to be sure I've got your attention. These ambulance drivers are required to have special training. At the Metro level they felt that they ought to be regarded as part of the APS group, which is a group which is not within the union but not in the executive level of government. They were not given credit in their salary or rate for this special training. Naturally when this province has no good Samaritan legislation, they are open to serious problems which I think have to be taken into consideration. That was one of their basic problems.

The other problem was that they were not consulted at any time nor did anyone really get back to them after the design of the ambulance itself was determined, because the ambulance as it was designed, and it became a requirement, in their view was not satisfactory to them in the handling of the patient and they felt that the patient was not well serviced by that design. I would like the minister's comment on that.

Also, the minister had undertaken to answer some of the critics' opening remarks. Since he did not choose to do so on the matter of the question put as to what happened to the women in this ministry on the reorganization—I guess he has a perfect right not to answer and a very good reason for not answering—I will put the question here. Is there any effort to ensure that women are invited to participate in this training at the same time as the men are?

I would like to move on now. Are we going to proceed, Mr. Chairman, now in an orderly pattern? Am I to speak now on item 3 or are we first closing off item 2, and opening it to others who wish to get into this item? It has been confused in the way in which we have proceeded to this point. Those are my remarks which would include the general hospitals and related activities, but I am prepared to continue on the total item if that is the way the Chair wishes to proceed.

Mr. Chairman: I would suggest that we deal with item 2 and then go on to item 3.

Mrs. Campbell: Fine.

Mr. Chairman: The hon. member for Wentworth.

Mr. I. Deans (Wentworth): Thank you, Mr. Chairman. The other evening I started to speak to the minister about ambulance service. I want to follow up on the comments of

my colleague from St. George, because what she has said about ambulance service, and what I said on Thursday last, I think expresses a feeling of a great many people in the Province of Ontario.

I had the opportunity over the weekend to read the interim report of the ambulance services task force, of 1968, and I read it at some length because it was very interesting. That task force set out pretty clearly what ought to be done by way of the establishment and maintenance of an adequate ambulance service in the Province of Ontario. It talked about all aspects of the service, including the integration of the private services, and the provision of service in areas where service was difficult to provide.

It also talked about training and status of personnel, and it is about that that I am most concerned, because an ambulance service with good equipment is of no value at all if the personnel are demoralized, inadequately paid, and if the conditions under which they work don't reflect the important position that they hold in society. I think it is that to which the minister has to address himself.

You can't run an ambulance service like a taxi service. It is not the provision of some vehicle to move someone from point A to point B. It is an attempt, surely, to provide people with immediate health care at a time when they are desperately in need. There is no point in the minister going on with this ridiculous programme that he is talking about of developing an ambulance service with an attendant and a driver simply to transport people to hospital. That isn't nearly enough.

The direction in which the minister was moving between 1966 and last year was, I suspect, the direction the majority of knowledgeable concerned people felt was the proper direction, and it is only in the last short while that we have seen the deterioration of the service.

The kinds of training and the status that the task force recommended ought to be available to the ambulance service personnel were vital. They spoke about adequately trained personnel, about the setting up of facilities for training, about ensuring that they were able to cope with emergency situations, and of guaranteeing that they could operate with the benefit of direct instruction in the fields of providing immediate care, emergency care, to people at the time when they are most vulnerable and most in need. The recommendations they set out, starting with recommendation 29, and running through recommendation 33, speak very clearly to the point of training, of status, of the capacity of the people in the service to provide this kind of health care. But that's not enough. This obviously hasn't made any impact on the minister, or on this particular ministry as it's set up today.

I want to refer you to another report, a letter of some six or seven pages, much of which I'm going to put on the record, because I think it's important. It was written by Dr. Ghent, and I assume the minister may well have had the advantage of reading it. Let me just read some of the material for your interest. It's called "Requiem?"—with a question mark. I quote:

"The past history of ambulance services in North America has been one of private enterprise. This has produced a few good services and many poor services. Transport, rather than aid for the acutely ill and injured has been the aim. This, in part, was due to lack of standards and regulations governing ambulance services at a national level in Canada or the United States.

"The Province of Ontario presented the same picture until change came in 1965. At that time, the responsibility for ambulance service regulations was changed from the Department of Highways to the Department of Health. The first Ambulance Act for the province was written in 1966 and, for the first time, defined an ambulance, its equipment and the training required for ambulance personnel. A licensing procedure for approved services was inaugurated.

"The responsibility for the direction of this new dimension of health care was given to the emergency health services branch of the Department of Health. A physician-director was appointed and the organization of the previous chaotic situation was started."

It goes on. I'm not going to read it all, but I want to turn two pages. I quote again:

"All of the services had to meet the same standards of equipment, vehicles and personnel. The government of Ontario then supplied fully-equipped ambulance vehicles to licensed operators. Eventually it was planned that a fully-integrated, province-wide ambulance service would be developed with all personnel employed by the Ministry of Health."

I pause at that point to let the point be driven home.

"All services, where possible, were to be affiliated with hospital emergency departments. A communications network was instituted with assigned frequencies for ambulance calls. Central dispatch centres were created in all of the major urban areas.

"This service became an insured benefit under the Ontario hospitalization plan. A 'user's' fee of $5 was applied to each ambulance call. The remainder of the fee was in form of payment from the hospital insurance plan.

"To create a group of professional paramedical ambulance attendants a 30-day basic training programme was started at Camp Borden to provide ambulance personnel with a standardized advanced first-aid course. Eleven of these courses were completed each year with civilian instructors. This course has trained about 2,200 men for the service in Ontario, and for other parts of the Dominion of Canada by year-end 1973.

"It was realized at the time that this was a bare minimum of education and that basic training would have to be increased in the future. To this end, a six-month basic training, or emergency medical technician's course, was started at Humber Community College in Toronto in 1972. Eventually this course was to have been offered in five of the community colleges in the province. The course was designed to replace the Camp Borden module as the minimum required training for ambulance personnel. However, a true paramedic, equal to those in the armed forces, required more training, preferably in a hospital milieu.

"An advanced training programme was begun at the Hotel Dieu and Kingston General Hospital in Kingston in 1970. Originally, this 11-month course was designed to familiarize selected and experienced ambulance personnel with life-support techniques that could be applied in the sickroom or at the roadside. These men were capable, with radio supervision, of applying cardiopulmonary resuscitation techniques, including defibrillation, intratracheal intubation, intravenous injections and the administration of selected cardiac drugs."

I have a little trouble with the words, but I understand what they mean.

"This would be in addition to their basic skills of haemorrhage control, fracture splintage and extrication techniques. Thus, treatment as well as transport was the philosophy of the ambulance service.

"During the ensuing three years, 40 men received emergency medical assistance certificates from this course. The course content was shortened to eight months and reduced to a modular form so that it could be shortened still further when the emergency medical technicians received this level of training. The plan included the provision of one emergency medical assistant in each ambulance by 1980. In smaller communities, it would be possible for personnel with this training to be of assistance in the emergency department and the operating room if required.

"Thus, Ontario presented a forward philosophy in ambulance services when the programme was detailed as a special presentation to the General Council of the Canadian Medical Association in 1970. Since 1970, the policy of the Ministry of Health of Ontario was changed and the paramedical discipline of ambulance attendant has been downgraded.

"In part, this is due to a lack of registration mechanism for the EMTs and EMAs as a part of the health care team. Medicolegal status to practise the art of life support has been promised for ambulance personnel for years in Ontario. [And recommended in 1968, I might add as an aside.] It has not appeared in spite of the support for the concept from the Ontario Medical Association and the Canadian Medical Association.

"The State of California, one of the most litigation conscious areas of North America, has passed a bill allowing trained ambulance personnel to practise life-support techniques with radio supervision. The public as usual are ahead of the medical profession and most governments, and it is a commonplace to see rescue squads defibrillating electric shock victims on television.

"A major reorganization of the Ministry of Health started in 1970, whereby all phases of the ministry's activities were streamed in three directions: 1, finance; 2, standards; and 3, operations. Each division was headed by an Assistant Deputy Minister of Health. This reorganization replaced the physician-director of the ambulance services branch with a man from the ranks of the ministry in Toronto. The previous director was given status as a senior medical consultant to the ambulance services branch. [Again, I pause. I question seriously what that really means.] The timing of this move was unfortunate. The fledgling service came under the complete control of 'operations,' which of course answered to 'finance.' Education and training lost the emphasis that had been placed upon it previously.

"In June of 1974, the planned course for 20 emergency medical assistants at Kingston for September, 1974, was cancelled, as was the next phase of this advanced course planned for 20 men at Ottawa. The reason given by a Ministry of Health official was

'that funds are unavailable to support the emergency medical assistant course.

"The actual cost of training an EMA was $23,000 for the course. This includes replacement personnel for the trainee's home service, lecture costs, pay and maintenance for the trainee. This, in perspective, must be balanced against the six months of minimum in-service training required to familiarize the new two-year nurse with patient care at a cost of $5,100 in salary and benefits.

"The role of the EMA has been assessed in the total health delivery system and we find that his or her responsibilities are equal to those of a nursing supervisor in charge of a 38-bed hospital ward.

"The direction of the service with a planned gradual transition to a complete Ministry of Health service has changed, and suddenly services bought from private owners just a few years ago were 'franchised' to individuals on a 'global budget.' It was not and is not necessary for the applicants to have special training for their supervisory role in this new service. The instructions for prospective supervisors do not include educational or training standards for their employees.

"The situation has deteriorated to such an extent that the director of the ambulance services branch of the Ministry of Health was quoted in the Globe and Mail as saying: 'The government owns all the company's equipment and it should be looked on as a sort of McDonald's hamburger franchise.'

"This is in keeping with the Minister of Health's philosophy as well, if an interview quoted in the Hamilton Spectator is accurate. It stated: 'Rather than staffing ambulances with highly trained attendants, Mr. Miller believes they need only people competent to deal with the bulk of the problems they meet.' [Whatever that's supposed to mean.]

"Thus the morale of the professional ambulance attendant has been undermined and is reflected by an ambulance attendant with a service in Ontario stating in the Globe and Mail: 'At one time we used to save lives, now we are taxis and move bodies.'

"The total budget for the ambulance services branch for the year 1972, including the educational component, was $24 million. The population of Ontario at eight million renders this emergency care service too expensive at $3 per capita per year. [That figure isn't even really accurate; it is less than that.]

"Thus has ended the leadership supplied by the government of Ontario for the rest of Canada in the field of emergency care. However, the exercise has not been in vain entirely. British Columbia is in the process of developing a provincial ambulance service based on the Ontario experience, using in part the paramedical educational expertise from Ontario to facilitate their efforts. Alberta and Manitoba are considering provincial ambulance services based on the original concept and philosophy developed in Ontario. Members of the medical profession that have been associated with the ambulance service in Ontario hope that the present attitude of our elected representatives is merely a temporary plateau, not a headlong dive downwards into the abyss of indifference from whence we climbed so recently." It's signed: W. R. Ghent, MD, CM, FRCS(C), Oct. 2, 1974.

What was said in this letter, Mr. Minister, is very much in keeping with what I tried to say to you on Thursday last. What you are doing in the Province of Ontario is destroying what was the beginning of a very valuable service to the people of this province.

We don't simply require people who are strong enough and able enough to pick up stretchers and put them in the backs of ambulances. We don't only need people who are capable of driving safely in hazardous conditions. We need to have a trained ambulance service in the Province of Ontario capable of meeting the problems which as you say, they encounter, and they encounter many problems. If they were adequately trained they could deal with them better than they have been able to deal with them in the past and certainly would be able to deal with them better than the kind of personnel that you are talking about will be able to deal with them in the future.

I don't quite understand what this reprivatization of the ambulance service is all about, or then again maybe I do. I hate to tell you this but if you are in the business of providing an ambulance service and you recognize that it is an essential part of the health-care delivery system, then you are going to have to ensure that the people who work on it are (a) adequately trained; (b) suitably recompensed; and (c) that they have the same kinds of standards that prevail right across the province. If you are not going to do that, then you are turning it into a McDonald's hamburger operation. And that's not suitable, adequate or acceptable to the people in the Province of Ontario.

The cost of $3 per capita, even if that were the true cost, can be borne by the people of Ontario. Just talk to anyone who needs an ambulance and ask them whether they would rather have someone who had adequate training and was capable under supervision,

whether it be radio-controlled or otherwise, to deal with their immediate problem or whether they would rather lie in the ambulance and die because they had your type of people on it. I suspect that you would immediately find they would prefer to have adequately trained people.

I tell you that the system across the Province of Ontario is deteriorating. The morale of the people in the system in gradually being eroded, in fact, rapidly being eroded. What you are doing makes no sense. Maybe you can explain to us what this reprivatization is all about and why you feel this urgent need to hand over franchises all across the province to people who have absolutely no training in ambulance handling, who have neither the background nor the knowledge to be able to adequately supervise their personnel or train them and who are simply being given a global burget and who are able to rake off from that budget whatever they are able to keep—or keep whatever they are able to rake off, I suppose is the right way to put it.

I don't understand how your private enterprise ambulance system works when we, the people of Ontario, provide all of the facilities, when we provide the communication network, when we provide the ambulance itself, the vehicle, when we provide all of the essential component parts of the vehicle and when we audit the budget and provide the money. I don't understand how you can justify paying something called a user fee, so much per call, to the person who is operating the ambulance service, because that doesn't provide a better service. Why don't you take the people in the ambulance service, establish one overall service in the Province of Ontario, train them adequately, pay them a decent wage and create some kind of an environment whereby they may feel that the service which they render to the people is recognized as being valuable?

One closing comment, you can't be an ambulance attendant without having a certain amount of dedication. It takes a lot of dedication to work in that field because it is not the most pleasant job in the world. It is not suited to a great many people. I strongly urge you to abandon this ridiculous programme that you currently have under way and revert to what was a reasonable, sensibly planned approach to a provision of a very sensible and necessary ambulance service province-wide.

Mr. J. Riddell (Huron): Mr. Chairman.

Mr. Chairman: The member for Huron.

Mr. Riddell: Thank you, Mr. Chairman. It seems a lot of attention is being focused on Ontario's ambulance system, and rightfully so, for I firmly believe that it has been a neglected section of our overall health-care programme. It was all very interesting to hear the hon. member for Wentworth expound on the reasons why he thinks that ambulances should all be dispatched out of hospitals, but there are always two sides to the coin, and I wish to present the other side.

Mr. Chairman, there are several problem areas within Ontario's ambulance system which must be rectified. I wish to list them, and then make some remarks on each one. The problem areas requiring immediate attention are:

1. The placing of more government and hospital-operated ambulance services under the management of private enterprise;

2. The introduction of an advanced training programme;

3. The registration and licensing of casualty-care attendants;

4. The provision of new vehicles and equipment;

5. The hiring of qualified regional co-ordinators;

6. Input by medical consultants and responsibility for disaster planning.

Now, under the first item mentioned—government and hospital-operated services—it is questionable whether the government and hospital-operated ambulance services are being operated in an efficient and economical manner. The persons responsible for the management of these services do not have the vested interest that the owner-operator has in his service. They do not normally put forth the effort the private operator puts forth in an endeavour to improve his service, maintain a high standard of training, promote economy and foster good public relations. The interests of efficiency and economy would be better served if some of the government and hospital-operated ambulance services were placed under the management of responsible owner-operators. The services best suited to this type of arrangement are those whose employees' prime duty is ambulance work as opposed to hospital work.

Mr. J. E. Stokes (Thunder Bay): Who owns ambulances?

Mr. Riddell: There are many advantages to placing some of these services under the

management of responsible owner-operators. Examples are strategic placing of ambulances, central control in dispatching, proper staffing patterns, standard training programme, standard vehicle-maintenance programme, cost savings by bulk purchasing of supplies and equipment, and centralization of administrative functions.

Mr. Stokes: Is this Liberal policy?

Mr. Riddell: With the above in mind, it is suggested that in some areas of the province a private owner-operator would manage services based within close proximity to one anoth r, while in other areas a private owner-operator would manage services based over a much larger area of the province.

The idea of placing some of the government and hospital-operated ambulance services under the management of private owner-operators is in keeping with the views expressed by the Minister of Health. In an article published in the Hamilton Spectator on July 16, 1974, the Minister of Health was quoted as saying he would like private enterprise to play a bigger part in running ambulances in Ontario. It is recommended, therefore, that consideration be given to placing more of the government and hospital-operated ambulance services under the management of responsible owner-operators.

Under training: Ontario's insured ambulance system came into effect on July 1, 1968. At that time a programme was introduced by emergency health services to train ambulance personnel in the techniques of casualty care and patient handling. This programme proved to be very successful, but in the past year it became apparent that the curriculum required considerable updating. There is no indication, however, that it will be updated.

Since 1972, three emergency medical assistant courses have been conducted at the Hotel Dieu Hospital and at Kingston General Hospital in Kingston, Ont. The students attending these courses were drawn from various ambulance services throughout the province. Unfortunately, however, it was recently announced that this course would no longer receive financial support from the Ministry of Health. As a result, there is now no training programme open to the casualty-care attendant whereby he can progress in his knowledge and skills, unless he attends full-time at a regional college without benefit of pay.

The lack of an advanced training programme for casualty-care attendants is not only detrimental to the welfare of the people of Ontario, but is also detrimental to the morale of the casualty-care attendants. Our casualty-care attendants have the ability to absorb more advanced training in life-support procedures and they should be afforded the opportunity to receive such training. It is recommended, therefore, that an advanced training programme be introduced as soon as possible and that the curriculum include intubation, cardiac monitoring, analysis of arrhythmia, drug therapy, diagnosing multi-system injuries, myocardial infarction, and care of coronary and trauma patients.

The type of training programme we require is feasible because it is being carried out very successfully in the United States in such places as Seattle, Columbus and Indianapolis. Such a training programme would provide Ontario with a better trained and more stable ambulance force.

Training with in-hospital affiliation should be an ongoing programme. In this case highly trained ambulance personnel would work in the hospital under the direction of a physician. These personnel would also respond to emergency ambulance calls as a third man when specialized techniques or special equipment must be used. These personnel, however, should be administered by their own ambulance service as this method has proved to be the most satisfactory.

Unfortunately, due to a cutback in ambulance staff, the private operator is not able to place his best-trained personnel in this type of in-hospital training. This situation will remain until such time as more funds are made available to hire staff.

I have a few comments, Mr. Chairman, on registration and licensing. As members of the health-care delivery system, it is imperative that the qualifications and level of competency of the casualty care attendants be recognized by the members of the other health disciplines. This recognition, however, can only become a reality through registration and licensing, with the government setting the standards and qualifications required.

The regulations under the Health Disciplines Act should be expedited immediately. Under this Act it is the responsibility of the College of Physicians to state what procedures and practices nurses, ambulance personnel and other allied health workers may perform. The College of Physicians presumably would also state what degree of supervision will be required. The college should also determine the type of training and qualifications required for registration and licensing.

It is recommended, therefore, that the government introduce the necessary legislation to permit the registration and licensing of the casualty care attendant. Such legislation should include permission for the casualty care attendant to perform more sophisticated procedures.

A few remarks on vehicles and equipment: Ontario has an acute shortage of late-model ambulances, and consequently many services are operating with vehicles that have passed their lifetime expectancy. This is resulting in mechanical breakdowns on the road and prolonged downtime awaiting repairs.

It is recommended, therefore, that the ministry, firstly, provide more funds to purchase new vehicles; secondly, institute a periodic evaluation of vehicles to determine their mechanical and structural condition; and, thirdly, accept recommendations from the field inspectors for their replacement.

There is a definite need for new and more sophisticated ambulance equipment. In particular, consideration should be given to providing cardiac monitoring and telemetry equipment. It is recommended therefore that the ministry, firstly, provide more funds for the purchase of new equipment and, secondly, accept recommendations from the field inspectors for the replacement of equipment.

Under communications equipment, which was one of the items I mentioned previously, the provision of portable radios is essential to ambulance service operations. There are many instances where the ambulance crew are a considerable distance from their vehicle and have no way of contacting their base. This lack of communications could be detrimental to the patient's condition. It is recommended, therefore, that portable radios be provided.

A few remarks on regional co-ordinators: Private ambulance service operators with the expertise and proven management ability should be hired as regional co-ordinators. This matter was discussed with Ministry of Health officials who indicated that there could be a conflict of interest. The Ontario Ambulance Operators Association, however, is not in agreement with this reasoning.

Recently co-ordinators were hired by the ministry whose past performance was a source of great concern to the Ontario Ambulance Operators Association. Although there were private operators far more qualified for the job, they were ignored because of the conflict-of-interest reasoning.

I would like to mention a little bit about the input by medical consultants and disaster planning. The ambulance programme should have more input from medical consultants. Although the Ministry of Health does have a medical consultant, Dr. N. H. McNally, it would appear that he is not being consulted. The lack of input by medical consultants is damaging to the whole system. Since the ambulance programme was severed from the department of emergency health services, no one has assumed the responsibilty for disaster planning and other programmes. This is not a good situation as disaster planning is of paramount importance. The responsibility for this function, therefore, should be delegated immediately, as it should be for other programmes.

In conclusion, Mr. Chairman, I would like to say that most of Ontario's private ambulance service operators are mainly interested in the improvement of the ambulance system. The areas discussed in the remarks that I am making are detrimental to the system and as a result are a source of much concern to the majority of private operators. It is hoped, therefore, that favourable consideration will be given to implementing the recommendations which I have just referred to. Thank you.

Mr. Chairman: The hon. member for Peel South.

Mr. R. D. Kennedy (Peel South): Mr. Chairman, with respect to the ambulance service, we have a local problem which involves the relocating of some ambulances due to some transaction between a funeral home and the current operators, which I believe were combined and are now to be split off. It seems that a new location needs to be found for these ambulances. There's a problem of finding space at a rate that will be supported or acknowledged or paid by government.

The question I would really like to know the answer to is, what are the rental rates? Are there rigid schedules? Are these flexible, depending on the location and the rates you have to pay and what the market is? I hope this problem can be resolved. It's pretty difficult because it isn't every vacant garage or even vacant open space that's suitable for storing or maintaining ambulances. I think they have been stored outdoors but naturally with the weather as it is, it's more desirable to have them under cover. I would like to have your comments on that.

Mr. Chairman: The hon. member for Sandwich-Riverside.

Mr. F. A. Burr (Sandwich-Riverside): Mr. Chairman, I have written the minister on a couple of occasions at least concerning the sub-minimum wages that are paid to the ambulance drivers. The work of the ambulance driver is closer to that of the fireman than any other occupation I can think of. They have long periods of inactivity, interspersed with short bursts of intense activity. In fact, the firemen are supposed to be more susceptible to heart attacks because of this kind of life they lead and the ambulance men are much in the same boat.

If you totalled up the number of lives saved by one ambulance man and the number saved by one fireman you would probably find the ambulance men were saving more lives. Yet the Minister of Labour in his announcement of the minimum wage every time has made a special discrimination against ambulance drivers. Why? I can't understand that unless he has been in consultation with the Ministry of Health. The drivers of ambulances that the government runs are paid fairly respectable wages but the private operators who must make a profit are finding that this is where they can make it.

If you want to get a job as an ambulance driver, you have to volunteer to donate dozens of hours overtime every week because, according to the minimum wage, you get $108, which is $2.25 an hour for a 48-hour week. And, of course, an ambulance driver has to be on call far more than 48 hours a week. I'm wondering just why this is tolerated for a service that is so important when it's needed.

A related question: I was puzzled the other evening about this incentive motive that was mentioned; the incentive motive for the operators. The only example I can think of is in the removal of corpses. I've had it drawn to my attention that there is a removal service which is supposed to remove dead bodies, and that the ambulance operators are not supposed to move dead bodies. Now, an enterprising operator would snatch a dead body, and that would give him an extra trip, an extra income. Is that the kind of incentive that an operator is supposed to exercise? Those are two questions.

There is a third question under general hospital policy. What policy is the minister developing, or has he developed—

Mr. J. F. Foulds (Port Arthur): If any.

Mr. Burr: —about non-smoking in hospital rooms and in hospital waiting rooms? As the minister is aware, smoke is the most intense form of air pollution. To go to a hospital to recover from an ailment, particularly a bronchial ailment, and to be in a room with two or three other people, some of whom are smoking, is just no way to cure a bronchial ailment. What policies are being developed for this problem?

Mr. Chairman: The hon. member for York Centre.

Mr. J. E. Bullbrook (Sarnia): Is this the second reading of the bill?

Mr. Chairman: I believe the hon. minister was going to answer the question when we finish with the inquiries.

Interjections by hon. members.

Mr. A. J. Roy (Ottawa East): Come on. The minister shouldn't be bashful.

Mr. Bullbrook: These are the esimates. Give it to him. Come on, give it to him.

Mr. Roy: Don't be a cop out.

Mr. Chairman: Does the hon. minister wish to answer some of the questions at this point?

Mr. Bullbrook: This is parliament. Get up and debate once in a while, it's fun. You'll enjoy it.

Hon. Mr. Miller: I'm quite pleased to, and in your absence we've been doing it.

Mr. Bullbrook: Try it, you'll like it.

Mr. Roy: Don't be a cop out.

Hon. Mr. Miller: I'm glad you're back again; there's someone to talk to.

Mr. Bullbrook: That's what I tell you, you'll enjoy it.

Interjections by hon. members.

Hon. Mr. Miller: Are you ready?

Mr. Bullbrook: Answer the question.

Mr. Chairman: Order, please. The hon. minister is about to speak.

Mr. Roy: We said stand up. Oh, sorry!

Hon. Mr. Miller: The member for Ottawa East is only two inches taller, physically.

Well, Mr. Chairman, there have been a lot of good questions and there's been some philosophy expounded on ambulance services. I think I'll start in a generalized way first.

I apologize if the hon. member for St. George thinks I have ignored answering the questions in the opening statements. I think you have to realize that we agreed that I

would have you ask detailed questions throughout, and I would try to answer when I'd finished any that didn't come up in the individual votes. So, I'm not purposely ignoring any questions posed by the lead speakers for either party.

I have to say that if I sat listening to the comments made by one or two speakers on the ambulance issue, I, frankly, would be afraid to go out and place a call for an ambulance. And really, I won't say that I resent that implication, I just think it is not a statement of fact as the ambulance service exists in the Province of Ontario today.

Contrary to some of the criticism, I do not believe that the morale is the problem that has been stated. In fact, we have a well-trained, well-run ambulance service that is just now entering its final stages of organization.

We have to realize that we've gone through the years from 1968, when Dr. McNally, as head of the emergency health services division, was given the challenge to get a province-wide service functioning in rapid order, and at that point in time had to make do with a great mixture of types of ownership and types of service across the province. From that we have gradually tried to evolve a more standardized type of service.

I think the member for St. George was referring to morale and training in the city of Toronto department of emergency services. As you know, the training for the DES system has been done by them, at their wish, in the city of Toronto. I have attended the school to which the people go; I have been impressed with the training programme they give; I have been impressed at the amount of time given to the staff, not only for initial training but for on-the-job training on a periodic review basis. I think they use a facility on the corner of Davenport Rd. just where it turns into Bay St.—a former police station in that area.

It has been their wish to keep that service and training separate from the provincial one. It is, I think, the only municipally operated service in the province—there are three, I am sorry, but certainly it is the major one in the Province of Ontario. As you know, across the summer we had discussions with the committee in charge of the emergency services in Toronto, and agreed upon a gradual transition to unified control of all the ambulances within Metropolitan Toronto to this group, and a study is under way at this point in time to bring on control on those services, because the shortfalls and response times in fact were felt to be to some degree a function of two services operating in the same area.

Mrs. Campbell: No, it wasn't. It was the empirebuilding of one to bypass the former independent—

Hon. Mr. Miller: Well, I am trying to say it is because of a competition between two groups.

Mrs. Campbell: All right, you are turning it over to one.

Hon. Mr. Miller: Yes, we are turning it over to one, and I believe the Metropolitan government has changed management and in fact is working out the details. It is opening up new locations within the city of Toronto and in the boroughs for ambulance stations and in fact there has been quite a bit of study. I have the detail here; I am sure you are aware of it. We have put another $350,000 in cash into the operation for this year to assist them.

The question of the Oakville-Burlington-Port Credit issue was not quite the way it appeared, I think. That is owned by us and franchised to people who previously were on our staff. They are trained people; they are competent people. The implication that we turned it over to people that know nothing about the ambulance service—

Mr. Deans: About training people.

Hon. Mr. Miller: —I am sure would be resented by the very people you are talking about.

Mr. Deans: Well, I don't much care if they resent it or not.

Hon. Mr. Miller: I didn't talk when you talked—now you be quiet.

Mr. Deans: I think your system of handing these things over to people is ridiculous.

Mr. Chairman: Order, please. The hon. minister is trying to answer some questions.

Hon. Mr. Miller: There is a fundamental philosophical difference. If you hadn't left your seat so quickly after you finished talking and listened to some of the other positive comments made by other people, you would have learned some of the other points of view.

Mr. Deans: On a point of order, I happen to have a voice box in my office. I had to go and make a phone call and I listened to the positive comments of the other people, for the minister's information.

Mr. Bullbrook: This is really something. I don't have a voice box in my office.

Mrs. Campbell: Neither do I.

Mr. Chairman: Would the hon. minister continue?

Mr. P. D. Lawlor (Lakeshore): Stop being so provocative. Stay in a healthy state of mind.

Hon. Mr. Miller: Thank you. By the way, you asked me one question that didn't really relate to the vote that I was talking about at the time, and that dealt with the women in the Ministry of Health.

Mr. Roy: I raised that question.

Mrs. Campbell: It was your question I referred to.

Hon. Mr. Miller: In the Ministry of Health at the present time, if I can return the question, there are 160 women earning in excess of $15,000 a year versus 681 men earning more than $15,000 per year.

Mr. Roy: Terrible.

Mrs. Campbell: That is a big ratio.

Hon. Mr. Miller: A women's adviser position is being established; the Civil Service Commission has been asked to classify the jobs. The ministry's supervisory and management courses are given by the development section of the human resources branch, and they are attended by about as many women as men. The actual figures can be made available.

Mrs. Campbell: What about the women in the ambulance programme? Where did they disappear to?

Hon. Mr. Miller: I am only giving the current status of things. I am saying that we are giving as many women—

Mr. Roy: How about over $30,000 or something? Let's get up in those brackets.

Hon. Mr. Miller: Well, there is me and the deputy.

Mr. Deans: One of you is overpaid.

Hon. Mr. Miller: Stan, you will have to go.

Mr. R. S. Smith (Nipissing): There is more than that over $30,000.

Mr. Foulds: The member for Wentworth is being kind.

Hon. Mr. Miller: Thank you.

Mr. Chairman: Order, please. The hon. minister will continue.

Hon. Mr. Miller: I am sorry, Mr. Chairman, but they are being provocative.

Mr. R. S. Smith: There have to be more than that over $30,000. I can see them from over here.

Mr. Roy: Those over $30,000 please stand.

Hon. Mr. Miller: I go on to some of the comments made by the member for Wentworth. We have had a long discussion on the salary issue and the philosophy of ownership. I said previously, and I have to say again, that I subscribe more to the views just read by the member for Huron than I do with yours. I recognize your views are yours and you believe them. That doesn't mean that they are either right nor wrong.

I happen to subscribe, though, to the fact that a person who is running a business where he is personally accountable for it on a private enterprise basis of some type or some incentive type of basis or by some means by which he is in control directly, with all the structures and strictures placed upon him by the normal governmental procedures and policies, does a better job of running the business. I can't help but echo the fact that, while there are places where the province must step in and provide services because no one is available, where the private operators—

Mr. Deans: No, because it is not profitable.

Hon. Mr. Miller: The word "profit" is not quite fair because it isn't a profit on the basis you've implied.

Mr. Deans: Well, what is it?

Hon. Mr. Miller: For example, the bonus system you've alluded to is not a part of the new district service in the Oakville-Burlington area. There is no payment per call basis and as we're renegotiating contracts this is being dropped off. In the beginning there was one and it exists in a number of contracts yet. I can read it to you. I'm sure you know what it is.

For the first 200 calls per year, they received $5 bonus; for between 200 and 1,800 they got $2 bonus; for between 1,800 and 4,000 they got $1.50; and for over 4,000 they got $1.

As time goes on, we are phasing that out of agreements and it will not be a part of new agreements.

Mr. Deans: Tell us about the new agreements.

Hon. Mr. Miller: I would be glad to get you more details on them. I can't give you the details off the top of my head. I just know that at this point in time we're basing it upon the staffing requirements of the area, the number of vehicles we expect to be in service for so many hours of daylight and so many hours at night. We supply the vehicles and the equipment, as you know. They are our property. We supply the funds to pay the men based on their estimated budgets.

Mr. Stokes: What is the gobbledegook about owner-operators?

Hon. Mr. Miller: They don't own the vehicles except in the odd instance where they've had vehicles carried over from the previous times.

Mr. Deans: But as they are replaced they will be replaced by government-owned vehicles?

Hon. Mr. Miller: They are replaced with government-owned vehicles, yes. They are standardized vehicles. There are more than two types of vehicles in the province but Metro Toronto has stuck to its own vehicles because they sincerely believe that for the short hauls they are faced with in the city the replaceable van body is a more economical way of doing it. I think the total unit costs about $11,000 and that the chassis costs around $4,000 to $4,200, or somewhere around that range. I'm told that they can get about three chassis per body. They have estimated that in the city this was to their advantage.

Mr. Stokes: Is that why we're getting old ambulances in northern Ontario?

Hon. Mr. Miller: They certainly aren't Metro Toronto ones. You know that because they are easily identified by their truck bodies, by the chassis they have. They have a removable body on the back end; a van type of body.

Mr. Stokes: We have been offered some with 70,000 and 80,000 miles on them and our operators didn't think they could make the trip out there.

Hon. Mr. Miller: We discussed that once in the question period as to how many miles a vehicle can go. I've had a fair amount of experience in that. I suggest to you that there is no arbitrary limit at which one can say one should dispose of a truck. Many trucks do hundreds of thousands of miles. I'm sure you're aware of that. It's a function of maintenance.

Mr. R. S. Smith: Would you buy a used truck from this man?

Hon. Mr. Miller: I'm proud to say many people have.

Mr. Chairman: Order, please. I'm wondering if we can get back to the estimates.

Hon. Mr. Miller: Thank you, Mr. Chairman.

Mr. Deans: May I ask you a question because I don't understand this. Can you take the time to explain to us where the incentive is going to be built in for this free enterprise operation? If you provide all the requirements, you provide the total global budget, where is this person in a private business? Surely to heavens all the person is doing is managing, on behalf of the government, with government funds and government equipment. If you are going to pay him a salary then why are we going through this facade of some sort of private enterprise operation when there is no investment by the individual whatsoever and the only losses that can be incurred are losses the government must make good on?

Hon. Mr. Miller: Sometimes there are certain capital parts of the business that are his. For example, the physical plant that the vehicles are kept in is often the property of the operator.

Mr. Deans: That is like a real estate investment paid for by the government indirectly.

Hon. Mr. Miller: Sure it is, but the fact remains it is an incentive to own that and he owns it and operates it often at a cost less than we would be able to own and operate a similar piece of property.

Mr. Deans: But he owns it, and you are paying for it.

Hon. Mr. Miller: Sure he owns it and we are paying rent for it. That's all I'm saying. I understand in the Oakville-Burlington area there is a global contract and if the budget is met there is an incentive for the operator for living within the very tight budget we have applied to him.

Mr. Deans: Can you tell us about that incentive?

Hon. Mr. Miller: I will be glad to get more details. I don't have them right now. As soon as they are available, I'll try to get them back to you.

Mr. Deans: Didn't you think we would be talking about this today?

Hon. Mr. Miller: Let me get back to some of the other issues you talked about. I think training is a very vital thing. The implication that we are making taxi operators out of the ambulance personnel is just so far from the truth it deserves some explanation. Dr. Ghent and Dr. MacKenie are very fine men who are specialists in their field and I have a great respect for them. I still have the right to disagree whenever a person who is totally committed to one narrow field in health feels that certain trainee requirements are the bare minimum for the people in the section he works with.

In fact, in the debates on the health disciplines bill I'm sure you heard this kind of argument come up a number of times. Every discipline feels it should upgrade its training to the maximum. On that basis, frankly, we couldn't afford the personnel for almost any field of health care. Our object is to tailor the training to the job. Those are the words that, in effect, were contained in the letter to me, which you quoted. I think you asked, "What does that mean?" One still can assess the kinds of functions and the kinds of experience a person needs to have on the job for the great bulk of the experiences he is going to face and then train him to do just that.

You know we've had the course at Base Borden as an interim measure. It has been going on for several years. I hear it's got two more years to run. It's a four-week course. It is basically, I believe, a first-aid course with amplification to a degree.

We did experiment in Kingston, basically at the request of one of the physicians whom you named, to try a more intensive course. It was our opinion that the course was both very expensive and didn't really turn out the people trained to do the job we needed. I think the cost per student, just for the on-site training I'm told, was over $10,000. I'm told it was inefficient in time, it was not accessible throughout the province, it did not help to build a solid base of general knowledge but tended to concentrate on subjects such as operating room technology for at least one third of the course.

Then we had trouble getting people to use some of these skills that they had reason to believe they would use, and that's where I run into trouble with the health disciplines every time. You let a man learn something and prevent him from using it and you've got a very unhappy man. It just happened that you couldn't have people hanging around to work in the operating room who suddenly may be called out for a trip. This is one of the problems we ran into.

Instead of arguing its merits we tried it, and based on the course and on the experience we had with the people who graduated, their abilities to get jobs to meet their expectations, it was rejected.

Mr. Deans: May I ask, in order to get to the answer—I don't mean the truth, but to get to the bottom of it: Wasn't a substantial part of the problem the whole legal matter of whether or not the persons would be legally covered in the event that they were to undertake the things for which they were trained and they weren't to work? Weren't they open to suit right across the province?

Mrs. Campbell: First-aid coverage.

Hon. Mr. Miller: You are accurate on that to a degree, yes, in that the Medical Act defines certain duties that may be performed.

We aren't downgrading the paramedical concept of the driver or the attendant. Just the opposite is true. The fact is that the incoming people to the ambulance services in the future will come through the community college system. We set up basically a one-year course for that system, and I'm told it's a very fine course. It has been given for some time now. I'm told it has better scope and depth in the biosciences and in clinical skills than either Camp Borden or Kingston, and that it provides a greater consistency in the paramedical groups within health. I'm told that, and I assume it's true.

We are saying that with the creation of the regulations, which we badly need—and I apologize for their absence; it was not easy to accomplish. I'm not sure the first set of regulations will meet all our needs, but we are trying to make them meet them. We will have those regulations in January, I am told. We will then have a basis for a number of the factors which up to date could not be insisted upon because we didn't have a regulation to state that the person driving a given vehicle didn't have to have the certain training or experience. We will now have it.

As I recall, there are four or five categories of people, including dispatchers, described

within those regulations. We name their experience as well as their educational requirements. For instance, a dispatcher, as I recall the regulations—I haven't read them for three or four months, and they may have changed—was a person who had to have the normal training and experience as an attendant or a driver before he became a dispatcher. A dispatcher, as somebody said a few minutes ago, is often called upon in an emergency situation to give some direction and to assess things either from the person making the telephone call or from the crew on the site. Therefore, it was felt that these people needed to have this kind of thing. So we will have regulations that in fact set standards we will be able to enforce.

I feel that with those steps in mind, we are getting over some of the fears that have been expressed to the public lately. And I regret that fear is expressed or there is talk of poor morale, because it can create just that in a system that didn't have it. If someone keeps on telling you long enough that you are sick, then you are sick. And I feel this has happened here to some degree.

Regarding the question of salaries in the city of Toronto, as you know, they were negotiated through CUPE Local 1000, I believe, when the strikes were on a year ago or so. I understand that they were trend-setters in the ambulance field across Ontario.

Mr. R. Haggerty (Welland South): The Minister of Labour hasn't followed that practice.

Hon. Mr. Miller: I am just commenting on the Toronto settlement, to which the member for St. George referred.

Mrs. Campbell: They still aren't treated as paramedics. They are treated as more of the heavy equipment operator type of person within the city, and yet they take risks without any good Samaritan legislation to back them up.

Hon. Mr. Miller: Regarding a couple of comments from the member for Huron, I was pleased by the support he expressed for both the system and the concepts, and I would agree with some of the shortcomings he talked about. I never pretend to think that we have perfection yet, or necessarily ever. We are working towards it.

We are working seriously, as you know, with the Ontario Ambulance Operators Association. About four months ago, I requested of that association the beginning of regular meetings with my parliamentary assistant on a monthly or semi-monthly basis, as they found it necessary—

Mr. Foulds: Who is your parliamentary assistant?

Hon. Mr. Miller: The hon. member for London North (Mr. Walker).

Mr. Foulds: Where is he?

Hon. Mr. Miller: He is away with my permission, for your information. He checked with me before the estimates. I had to admit the same fact last year. There is no use having a parliamentary assistant if in fact he isn't assisting you, which in fact means he should be doing something when I am here and vice versa. I should be doing something when he is here.

Mr. Chairman: I am wondering if the hon. minister could deal with item 2.

Mr. Foulds: Are you saying you are not doing anything while you are here? Are you denying the legislative function?

Mr. Chairman: Item 2, please. The hon. minister.

Mrs. Campbell: Don't get off on that one.

Mr. Chairman: Item 2 please.

Hon. Mr. Miller: You talked, I think, about the number of units per year and the state of the vehicles in the ambulance force. I think we have about 500 vehicles in the ambulance system at the present time. We had 80 new units this year. There was a shortage; we had trouble getting new units, I understand, during the course of the year.

Mr. Haggerty: I don't wonder, you can't.

Mrs. Campbell: I don't wonder.

Hon. Mr. Miller: As a matter of fact, for your information, at the current time the specifications only cover one brand—the Chrysler Corp.

Mr. Riddell: How long would those units be in operation?

Hon. Mr. Miller: I think one can take the average life expectancy. We had 450 units, and we were running them about five years, by the looks of things.

Now, we are getting 100 new units in the coming year.

Mrs. Campbell: What design? I have asked you that question and you have not dealt with it.

Hon. Mr. Miller: At the present time I believe we were studying some of the stability problems involved with our present vehicle—is that correct? Is the study finished?

You will recall back in the spring there was an accident in the north end of Toronto, where a child or a person was burned to death in an ambulance accident. Immediately following that accident we asked for a study of the vehicle's handling characteristics, etc., to make sure we were handling a safe vehicle. I have been told the study was completed and the vehicle was approved by that study.

Mrs. Campbell: That is not what they are talking about. They are talking about the ways in which it functions as an ambulance. Have you talked to the ambulance drivers?

Hon. Mr. Miller: Now, you are talking about Toronto's ambulances.

Mrs. Campbell: All right, my information was that that was what you were going to do. You designed those ambulances.

Hon. Mr. Miller: No, no, we did not, with great respect. In fact, there was a long fight—

Mrs. Campbell: I know that.

Hon. Mr. Miller: —I think it's a safe statement to make—between the Ministry of Health and the department of emergency services over what constituted the proper design of an ambulance.

Mrs. Campbell: That's right.

Hon. Mr. Miller: The fact is that they could both be right. But I am told we are replacing theirs with ours, starting next week.

Portable radios have been mentioned. It's a good idea, but a question of dollars and cents and whether we can, in fact, afford them, it's one which I am quite willing to look at.

Mr. Riddell: They feel they could save many lives if they could contact the base when they are out there. And I think it bears some consideration.

Hon. Mr. Miller: I question whether they would be able to contact base with some of the radios of a portable nature, but I am quite willing to look at that issue and discuss it more with staff.

The member for Peel South talked to me about rental of property for the ambulances in his area. And he mentioned that they are discussing it with a firehall within a community, and the community isn't too convinced that it should let them use it. I think we are also not convinced in terms of traffic flow in the area. There may be some problems in that particular area.

Generally speaking, though, when any land is being acquired under a private contract where the operator is leasing it and we, in fact, are paying the rent—if we are in doubt about the value of the rent, we will have it appraised by MGS to see whether the rent is a fair rent and come up with a figure.

Mr. Kennedy: There are no rigid rates though?

Hon. Mr. Miller: There are no rigid rates, no. It, of course, depends upon the apraised value of the property. The municipalities usually give us some kind of a break in these instances, because they are often interested in the provision of a service.

Now, I would look at the comments of the member for Sandwich-Riverside; he got into body removal services, and body snatching. A few months ago I—

Mr. Foulds: That's the only initiative that is left—the way you set it up.

Hon. Mr. Miller: Well, I am sure you would respond to almost any initiative of that nature.

Mr. Burr: You mean you condone it?

Hon. Mr. Miller: No, I don't. As a matter of fact, I understand the Ambulance Act prohibits an ambulance from picking up a person who is known to be dead. You are aware of that, are you?

Mr. Burr: Would you repeat that again, please?

Hon. Mr. Miller: The Ambulance Act, I believe, prevents an ambulance from picking up a person who is known to be dead.

Mr. Burr: Right.

Hon. Mr. Miller: This has, at times, been a very serious issue—because there have been arguments occur when a person was deemed by one person to be dead, and by another person not to be dead.

It's very difficult to set policy in that kind of area, except to say if there is any reasonable doubt, then one should assume that the reasonable doubt prevails and the person be taken.

Mrs. Campbell: I hope so.

Hon. Mr. Miller: I say that in all seriousness because that can be one of the kinds of arguments that go on between the dispatcher and an attendant out in the field where they radio back and try to describe the symptoms. You may recall a case back some time in the late winter where there was some kind of discussion among a dispatcher, an ambulance crew and a policeman, all of whom were trying to use medical terms. I can even recall post-mortem staining was used. Terms of this nature were used over the radio trying to impress the world of their knowledge and to determine whether the person was dead or not, it may be assumed.

As far as the carrying of dead bodies is concerned, to the best of my knowledge there is no current licensing procedure for that operation in the Province of Ontario. It is true, if I am not wrong, that some ambulance operators run a business apart from their own business but they are not using vehicles of the provincial ambulance service. If they were caught doing it, they would be subject to either loss of their—

Mr. Deans: They'd lose their franchise.

Mr. Stokes: They'd be disenfranchised.

Hon. Mr. Miller: Yes. The member also mentioned one thing with which I sympathize completely, and I don't know, the answer. We can both carry on our non-smoking campaign. I wish you all the luck in the world because I sympathize with the restrictions. Many, many hospitals are putting up signs, "No smoking in patients' rooms." I can only say that they are often not observed and the very first offenders are very often the patients themselves.

Mr. Burr: Are you encouraging this?

Hon. Mr. Miller: I am encouraging this, yes.

Mr. D. M. Deacon (York Centre): Do they have a policy?

Hon. Mr. Miller: I don't think we have got to the point yet where I can tell people they must not smoke in this world. I have not got to the point where I can tell them they must not drink and the other thing I keep harping about is their lifestyles. But I thoroughly encourage the ban of smoking in a hospital atmosphere. I have seen the bill of rights of non-smokers. I was happy to endorse it not long ago and I would continue to endorse it.

Mr. Chairman: The member for Durham.

Mr. Burr: Mr. Chairman, please.

Mr. Chairman: On this vote?

Mr. Burr: No, Mr. Chairman, on this question I raised with the minister. I wrote to the minister on March 20, June 26, and July 31. I asked a question in the House of the Minister of Labour on June 21 and I wrote him a letter on July 24. I still don't know why you are permitting this sub-minimum wage for ambulance workers at $2.25 an hour with a limit of 48 hours a week when they must volunteer many, many hours of overtime in order to hold their jobs. They have to work in the neighbourhood of 80, 90 and 100 hours a week for $108. Why is that so?

Hon. Mr. Miller: I would like to look into the details with the member and I would be pleased to do so. I am assured that employees working in excess of the number of hours for which they contract, and it's not always 48 hours, are paid not at an overtime rate but at whatever hourly rate they are entitled to receive.

Mr. Burr: No, Mr. Chairman, the Act says that they are paid $2.25 an hour for a 40-hour week. That is by the hour. But for a week of 48 hours, that's $108. They get neither overtime nor even simple time for overtime.

Hon. Mr. Miller: Again, Mr. Chairman, the minimum wage law sets the minimum that any person on any job may be paid; it is by no means necessarily the amount they are paid. I am told by my staff that this is equally true of many of the ambulance services. I am told the average hourly rate is in excess of $4 an hour in the Province of Ontario for ambulance operators. I assume this is a correct figure.

Mr. Burr: Are they for private operators or for—

Hon. Mr. Miller: This is the average of the system.

Mr. Burr: The whole system?

Hon. Mr. Miller: Yes.

Mr. Chairman: The member for Durham please.

Mr. A. Carruthers (Durham): I have two or three questions I would like to as, Mr. Chairman. When an ambulance service is transferred from a private operator to another private operator, that is, under management for the ministry, what policy is

followed? I understand there is a great variety of ambulance services and there has been in the past throughout the province. When an ambulance is transferred from one party to another, what policy is followed?

Mr. Haggerty: Conservative policy.

Hon. Mr. Miller: No, I think we'd be fairly liberal in our policies.

Hon. S. B. Handleman (Minister without Portfolio): That's the best policy.

Hon. Mr. Miller: It's the normal transaction between any businessmen for the purchase of one man's business by another—whatever assets he may have of his own to sell, including whatever he may consider the value of the business per se without the goodwill of the business itself. Now, one of the considerations, I understand, and I will look down to the desk for confirmation, is that the people buying the service must be acceptable to us as managers and operators of the next business.

Mr. Carruthers: Mr. Chairman, another question: How does the ministry determine the area that will be served by local ambulances? Does this vary throughout the province, or do you set up a radius within which an ambulance service will operate?

Hon. Mr. Miller: I suppose if there is any part of my ministry that has a lot of data, it's the ambulance service. We have an information centre called Oasis that details almost every facet of an ambulance call.

I recall being in a town near your area not long ago where they wanted to know how many calls were done on one side of the river versus the other side. We could not only tell them that, but we could tell them what streets, what houses and what types of call.

So when we go to define an area to be serviced by an ambulance, whenever we are amalgamating services through the voluntary or sometimes not voluntary transactions, we look very hard at the historic requirements of the area and plan the service area on the traffic flow studies that already exist.

Mr. Carruthers: Thank you, Mr. Minister. In a number of instances, I understand, volunteers are used in the ambulance services. How does the ministry regard this type of policy? Do you favour the use of volunteers?

Hon. Mr. Miller: I would say volunteers in the main have been in remote areas rather than the major centres. I am thinking of southern Ontario, of the Windsor area. I have met a group of people there a few times from the area. I wouldn't say we go out and solicit them, but we are by no means opposed to volunteer services. There will be some assumption that volunteer services of necessity would be much cheaper than non-volunteer services. That is not necessarily so, I am told.

Mr. Carruthers: Following up that question on the training of the ambulance operators, is this in the future to be conducted in our community colleges? At the present time it is being done at the local level, generally through one of the local hospitals. Will the future of this be confined to community colleges? I am wondering how these volunteers would undergo training and if they are apt to find other employment.

Hon. Mr. Miller: First of all, the community colleges have packages of either upgrading courses or parts of the total course that are available almost on a correspondence basis, to some degree. I think the training you have been getting in hospitals would be an upgrading type of service training rather than a basic training, although it need not necessarily be so, because up to this point in time there has been no mandatory regulation imposed upon ambulance attendants' training. There will be, starting in January.

Mr. Carruthers: That's very interesting, and certainly it's a very worthwhile undertaking.

One other question, Mr. Chairman: Is the policy to have ambulances stationed at hospitals? Is this a preferred system or are you planning to set up central dispatching stations where the ambulances can be housed and operated on a 24-hour basis with a permanent staff?

Hon. Mr. Miller: I am sure the hon. member knows that at one time it was stated policy—well, not necessarily stated but implied—that ambuslances should be attached to the hospitals of the Province of Ontario. This wasn't particularly well received by many of the hospitals, let alone many of the ambulance operators. It is not policy at the present time to require it. We are working with those hospitals that still have it. Some like it. Some have indicated their wish to get out of the business of keeping ambulances on the property. It has sometimes resulted in staff conflicts, because there may be different rates of pay between ambulance attendants and, say orderlies in the hospitals. Orderlies resent the fact that ambulance attendants appear to do nothing a great bulk of the day and aren't available as they were theoretic-

ally going to be available to assist them, because they say: "My job is waiting for a call."

So we've had some friction in some places when ambulances were attached to hospitals. In other cases, they have been very successful, so I only say it is not policy at the present time to move in that direction.

Mr. Chairman: The hon. member for York Centre.

Mr. Deacon: Yes, Mr. Chairman. I was wondering why it is that apparently a policy has been brought in where ambulance drivers have to have perfect eyesight; virtually the same eyesight levels as a person going into the police force. Does the minister have any idea why this is necessary?

The reason I say this is because one chap in my area has tried valiantly to join the ambulance staff. He certainly has every qualification except that.

I'm one who all my life has been able to get by with one eye. I managed to get myself in the forces and do some work overseas with very little difficulty. I think that, somehow or other, one is compensated by other means, in judging distance and things like that, without the second eye. In view of the fact that the most important thing is to have a person who is interested and keen to do a good job, if one's physical abilities do permit one to do the job well, which I think would be the case with an ambulance driver, why do we set such an impossible standard and prevent somebody like that going into the service?

Hon. Mr. Miller: I hope to give you some encouragement, because your next job could be as an ambulance operator. You would pass the tests.

Mr. Deacon: In other words, it can change and one could get in under those conditions?

Hon. Mr. Miller: You have to have two operative eyes.

Mrs. Campbell: His next job isn't going to be an ambulance driver.

Mr. Deacon: You have to have two or one?

Hon. Mr. Miller: Two operative eyes.

Mr. Deacon: Why is it necessary to have two? This is what I'm saying. A lot of us who operate with one eye seem to get along quite well. Why do we put in such a high standard?

Hon. Mr. Miller: This is for driving.

Mr. Deacon: I can pass the test for driving anytime with my one eye, and so can a lot of others who are driving and who are very good drivers. There's no problem with one eye.

Hon. Mr. Miller: I understand the requirement for two eyes is one of the requirements for drivers of school buses and commercial vehicles, as well as for ambulances.

Mr. Deacon: Not all commercial vehicles. Maybe it is for school buses.

Hon. Mr. Miller: I will check that.

Mr. Deacon: I'm surprised it is required even for school buses, because certainly there are a lot of drivers who are absolutely qualified and able to do this. There's absolutely no problem as far as judging distance. There are ways you can judge distance other than the method most people are able to use when they have both eyes.

The other thing I was going to ask the minister is, if they're moving over to the system of allowing and encouraging private operators, would it not be wise to think about setting up the designation of areas in the same way we have fire areas? For example, don't have them in large areas such as Metro where we have a real serious problem, as you know, because of the single area, of someone operating it in a very dictatorial fashion.

Mrs. Campbell: If he doesn't recognize it he won't answer questions about it.

Mr. Deacon: He will, I'm sure. Why not set up areas and provide in the tender call for a fixed overhead, variable running mile basis and mutual help arrangements going back and forth across into other areas? Those of us who have been active in municipal government worked that out with mutual fire protection arrangements and things like that. It certainly would provide opportunities for others to get into the business.

If you set up too large an operation then there's no way you can have competition. It's just too big and it's too big an investment, but if you have it broken down into small areas you can be sure of competition to provide good service.

I think it is important that we have that pressure of competition and performance, in addition to the economic considerations and advantages the minister has described, which are possible when you have free enterprise involved in this business. Has the minister given some thought to that?

Hon. Mr. Miller: Yes, I have. In fact, I would echo your comments and say they are worth following. We are following them at the present time and are trying to work up a system that will have a number of these features involved in it.

You were talking about pooling services or something of that nature, and it is interesting to see this already in certain areas of the province. The private operator in the town I live in is just half way between Toronto and North Bay. I happened to drop in and visit his ambulance service on the weekend, and he told me that he and the North Bay operator have voluntarily worked out a system whereby patients who are going from North Bay to Toronto are changed at Bracebridge. They change vehicles because at this point in time vehicles are assigned to a specific station, and they save a great deal of overtime time, overnight trips and things of that nature by having two five-hour runs rather than one 15-hour run or whatever it may be.

There is room for a great deal of this, and I think you will see a great deal more of it occurring, particularly if you get better district dispatching and controls of that nature.

Mr. Chairman: The member for Algoma.

Mr. B. Gilbertson (Algoma): Mr. Chairman, I would like to make some remarks in regard to ambulances. My riding stretches from about seven miles east of Blind River right through to White River and Hornepayne in the west.

I must commend the government and the Ministry of Health for the improvements there have been in ambulance service throughout the various parts of northern Ontario. I must say that it has been upgraded considerably in the last few years—

Mr. Foulds: When you start from zero, that is not hard.

Hon. Mr. Miller: At least we started.

Mr. Gilbertson: —which I am very happy about.

Mr. Foulds: You have been in government for 32 years.

Mr. Carruthers: Why don't you say something positive for a change?

Mr. Foulds: It's very difficult.

Mr. Gilbertson: If the member for Port Arthur would allow me the floor without too many interjections, I would like to continue.

Mr. Foulds: Yes, I will allow you to make your sycophantic speech.

Mr. Gilbertson: There is one stretch of highway from Sault Ste. Marie to Wawa which is about 145 miles.

Mr. Stokes: It's 143 miles, to be exact.

Mr. Gilbertson: The member for Thunder Bay says 143.

Mr. Foulds: He services it for you.

Mr. Gilbertson: It has been brought to my attention that it is one of the most treacherous stretches of highway, especially with the varied weather conditions that exist there, since it follows the shoreline of Lake Superior. I know from experience that you can leave Sault Ste. Marie and the sun can be shining; part way up you can run into a snowstorm; and before you get to Wawa you might run into fog. This can all happen in the same day, within a few hours. As I say, it has been drawn to my attention that on account of the weather conditions, this is a very treacherous stretch of highway.

There isn't any ambulance service between Wawa and Sault Ste Marie. We know that there is quite a populated area north of Sault Ste. Marie in the region of Batchawana, Goulais Bay and so on. I know there have been requests to have an ambulance service established somewhere between Sault Ste. Marie and Wawa. I would like to request the government to look into this matter; have officials in the department who look after the ambulance service take note of this and see if it's possible to have some type of ambulance station about half way, so that if there is an accident an ambulance coming from Wawa would not have to take an hour to get to the scene and an hour to go back to the hospital. This is the type of thing we want to try to avoid.

Another area that has been requesting ambulance service is Bruce Mines. We have an ambulance in Thessalon, but that's only one between Thessalon and Sault Ste Marie, which is 50 miles. We do have one on St. Joseph's Island, which takes care of that area pretty well. But I have had requests to see if we couldn't get an ambulance established at Bruce Mines. That's the second one.

I don't believe there's any type of ambulance service out of Missinabi. We understand the Renabie gold mining operation is

going to be starting up again, and there will probably be a few hundred people in there. I would request that the ministry check into the Missinabi area—Dalton and Renabie.

I know that if we don't mention these things and draw them to the attention of the government, they don't know anything about it. So I've been requested by my people in Algoma to bring this to the attention of the Ministry of Health and the ambulance service department. I would appreciate it very much if they would take it to heart and look into the matter to see if this is feasible.

We know it costs money for all these things, but I'm sure this is a real need. I would appreciate it if the ministry would look into this matter.

Hon. Mr. Miller: Mr. Chairman, I have to say I've driven the Wawa-Sault Ste. Marie trip when it had every one of the hazards you have described, including moose—which I believe are one of the bigger hazards, especially in the fog.

Mr. F. Young (Yorkview): And any Gilbertsons along the road.

Hon. Mr. Miller: The Gilbertsons weren't on the road that night.

We have been preparing to interview somebody in that stretch, as a matter of fact—somewhere around the Montreal River section, or around that particular part—for volunteer service so that we'd have some kind of ambulance closer to the potential sites of accidents. We're quite prepared to see that is done, if we find the proper people to help us.

Mr. Stokes: It is needed.

Hon. Mr. Miller: Yes. As far as Bruce Mines, Missinabi and Dalton are concerned, I'm quite prepared to have staff look into these areas and give you an answer directly.

Mr. Gilbertson: Thank you.

Mr. Chairman: The hon. member for Thunder Bay.

Mr. Stokes: Yes, most of what I want to say under this vote deals specifically with hospitals, but I would be remiss if I didn't say something about—

An hon. member: They'll never forget you for it.

Mr. Stokes: —the efforts of many people in the north to have a flying ambulance service. For a number of years I've prevailed upon successive Attorneys General to have flying police and surveillance service in the far north. Your colleague, the Solicitor General (Mr. Kerr), has inaugurated such a service; it's just getting off the ground now. The people in the remote areas are looking forward to it with great anticipation and a great deal of hope that the service that was so badly needed in the past will now be provided, and hopefully will work well.

I haven't done a great deal of research on areas of sparse population throughout the world with a flying ambulance service, but I know that Australia does have one that works extremely well:

Have you undertaken, in concert with federal authorities through the Department of National Health and Welfare, to inaugurate a flying ambulance service in those spread out areas of the north? Some of them are the direct responsibility of the province and some of them are traditionally the responsibility of the Department of National Health and Welfare.

It is often difficult to rely on flying services in the far north. But where that is the only means of transportation and of necessity people staff small clinics in the remote areas under sponsorship of the Department of National Health and Welfare, it is absolutely essential that we provide an adequate communication system between nurses, midwives and those who are acting for all intents and purposes as doctors' assistants and the base hospital where they can consult with a doctor and a doctor can advise them as to whether or not he feels a particular patient should be flown out or whether some kind of paramedical attention can be given right on the spot and avoid the necessity of ordering an aircraft and flying the patient out. What kind of dialogue has gone on, if any, between the federal authorities and your ministries to see about the advisability of setting up a flying ambulance service?

This is so badly needed, because when an emergency occurs in a remote community time is of the essence; and as I say you do have difficulty with the weather. To the greatest extent possible, I think you should have this service available. If you are going to, say fly somebody out from Big Trout Lake or Winisk or Attawaspiskat or Fort Severn or places like that, I think it is absolutely essential that you have the mechanism set up whereby you can take care of any foreseeable emergency and have the kind of personnel and the kind of vehicle in place to provide maximum protection in the event of an emergency.

That's all I'm going to say about that, other than to say it's absolutely essential that you take a serious look at it and provide this service to the people. When you are answering that, you might say to what extent you cover the costs of these flights when they are arranged.

I know that on occasion we've had to fly somebody in from a remote community to a base in Sioux Lookout or a base in Thunder Bay or Geraldton and then ferry them on down to Toronto. These are considered sort of mercy flights. They engage the services of a private carrier or in the absence of a private carrier they might have to call on the air force to fly them down here. What kind of assistance do you provide and to what extent do you cover the cost of that under OHIP?

Hon. Mr. Miller: Mr. Chairman, first of all, we used air transport about 1,000 times last year for the evacuation of a patient. One way or another we pay all but $25 of authorized evacuations by air.

Mr. Stokes: Who authorizes them?

Hon. Mr. Miller: I would think a doctor in an emergency.

Mr. Stokes: In the absence of a doctor?

Hon. Mr. Miller: That is an interesting thing, I authorized one not long ago, just for your information.

Mr. Stokes: Could I authorize one?

Hon. Mr. Miller: I think under emergency circumstances—

Interjections by hon. members.

Hon. Mr. Miller: He looks honest.

Mr. Stokes: I assure you it wouldn't be frivolous.

Mr. Foulds: Why can't he in those circumstances?

Hon. Mr. Miller: I'm just listening to the answer if I may for a second.

Mr. R. S. Smith: Except on election day.

Hon. Mr. Miller: Normally the police would be the source of authorizing it in an emergency.

Mr. Stokes: There aren't very many police up in Fort Severn.

Hon. Mr. Miller: I would think again the law of common sense prevails, if somebody tells us that an emergency situation exists.

I'll give you an example. I was not too long ago flying over Attawaspiskat on a day when the weather was closing in very quickly. As you know it can. At that point in time aircraft were shuttling up and down the coast of James Bay. We got a radio call from Attawaspiskat, directly below us, saying there was an emergency case at a goose camp out on the river somewhere and could we locate an aircraft within flying range able to pick it up. There was immediate radio check of aircraft in the area. One aircraft that happened to be a Natural Resources aircraft said it would divert to that point right away, pick up the patient and fly him back to Moosonee.

That kind of service has been going on for a long time, as I'm sure you know. I have an idea that patient didn't get out that day because of weather, but I can't answer that. We almost got caught by snow as it turned out. The OPP had been contacted to see if we couldn't utilize their aircraft too for the service.

The night I authorized one was rather interesting, because it was one of these cases where it wasn't an emergency in a remote area, it was an emergency in Sudbury, where a non-Canadian was involved with a very serious health problem. The air force had been called because they are carriers of last resort and again we pay them to do the mission. They had been authorized by me to do it.

I think we ended up using a private carrier, as it turned out, because we had to fly a team from here to Sudbury with all the lifesaving equipment on board. It was easier to get an aircraft out of Toronto and get them up there, team and all, to get to the person who had, I believe, ingested something into his chest, and had a cardiovascular problem to boot.

I know that Mr. Brubacher and I were both wakened up on the morning of Labour Day or thereabouts, sometime around 4 in the morning for that emergency approval. That's a strange thing, but because he was a non-Canadian the emergency approval was needed by somebody to ensure payment for the services.

Mr. Stokes: Are you planning to undertake an extension of that service?

Hon. Mr. Miller: The service we are using, yes. But to have our own service, no. I

would say we are not planning to have our own service but to make better use of the services that exist.

For example, we have talked about Armstrong and we feel that the most appropriate means of getting people out of Armstrong is by air when weather permits. This basically would have met the bulk of the need for Armstrong, which has 10 or 12 normal cases per year of need for ambulance service out of the area. But we recognized that on some days the aircraft wouldn't get in and the trains wouldn't be coming by, as we had to put an emergency vehicle there to get the person out under those conditions.

Mr. Stokes: Thank you. I want to get into two separate but important problems concerning hospitals.

The first is a series of correspondence that we've had directly with you, Mr. Minister, and with Dr. Baldwin who is the area planning co-ordinator for health services in northern Ontario.

As you well know, the hospital in Terrace Bay was declared inadequate, below standard and badly in need of repair. Up until just recently it was a private hospital operated by Kimberly-Clark, primarily to provide medical and hospital attention for its employees, although the company did make the hospital available to people in the area generally.

As a result of this it became necessary for the company either to spend a considerable sum of money, or allow or initiate some action to declare it and make it a public hospital, so that somebody else other than the company, I suppose, would upgrade the hospital and bring it up to an acceptable standard. As a result of this, as you well know, they formed a hospital board made up of people from the two communities of Schreiber and Terrace Bay, and submitted a plan to your ministry that would meet the needs of the people in the area.

Of course, they no sooner got that plan into the hands of the ministry for approval, and approval that was given, when Kimberly-Clark announced a major expansion amounting to something like $200 million. This means almost immediately, within the next year to 18 months, there will be an additional work force of anywhere from 1,200 to 1,400 people for a period of two to three years, plus a permanent work force of close to 200. Of course, if they are family units, you are thinking of an increase of anywhere from 800 to 1,000 people in the general area.

It's not something that we are just hoping for; this is something that will happen. I'm wondering if the minister has taken seriously a request by the hospital board of McCausland Hospital for an expansion, or for authority to provide for this expansion in the immediate plans, rather than going forward with the old plans and almost immediately having to undertake an expansion that will much more closely meet the needs of the people in the area. I know Dr. Baldwin has been working very carefully with these people, that the hospital board is working very diligently to accomplish this end and that anything that has been done by way of representation has been turned over to Dr. Baldwin himself.

Is there anybody within your staff here today who can give the hospital board the assurance that it will be allowed to proceed with the expansion on the basis of the expanded population which is inevitable, certainly within the next year or two?

I had one other problem, but if you will answer that one, I'll get right into the third one.

Hon. Mr. Miller: Mr. Chairman, I can't give you detail today; but I will get it for you. You know that we changed the grant structure to make it easier for these areas to raise their funds, whether it was done by the company, as I believe was the case with original hospital that was provided in the past, or by the community.

For that area only one-sixth of the money now has to be raised in the town. In so far as the request for expansion beyond those original plans is concerned I can't answer you: if I can get the answer before the end of the estimates I will give it to you.

Mr. Stokes: All right. The third problem is one on which I have had considerable correspondence with the minister and his parliamentary assistant. It deals with an edict that went out from the Ministry of Health to the three general hospitals in the city of Thunder Bay, stating that on the basis of active treatment beds to population, they should reduce their active treatment capacity by 86 beds in the three hospitals.

A great furor went up and I am sure that you recall quite vividly, Mr. Minister, the exchange between yourself and Mrs. Averill from Marathon as a result of a very unfortunate incident. It was alleged that it was possible that unfortunate incident could have been avoided if there had been sufficient active treatment beds, and if her husband's doctor had been able to get hospital accom-

modation when it was so badly needed in the case of such an emergency, and that they might have been able to save this person's foot as a result of it.

I am not prepared to say whether or not 72 hours might have saved the foot, or 48 hours might have saved the foot; I suppose this we will have to leave to the experts. All I am saying is that I don't think any patient or any ministry should be placed in the position where we are wondering whether or not, had there been sufficient active treatment beds, we might have avoided a very unfortunate happening and maybe one person might have been able to avoid the amputation of a limb.

As I say, I am not going to get into that fight, but that is only one indication of the kind of treatment people living in the far north will get, based on our ability to arrange the kind of emergency treatment that we need. I am talking about not only those living within the confines of the city of Thunder Bay, but about people who of necessity, because we can't afford to duplicate emergency treatment and specialist care in every small community and hamlet in northern Ontario—people living in the outlying areas, such as my entire riding, which is 110,000 square miles, and a good many of them west of that even, in the districts of Kenora and Rainy River—must rely on some centre, whether it be Winnipeg or whether it be the city of Thunder Bay, for emergency services and for specialized care.

You can give me all of the figures that you want saying it is the experience of this ministry that—what is it?—4½ beds per 1,000 of population seems adequate for the entire province, so that of necessity that's fine for every place in the province. Well I don't buy that argument at all, on the basis of information that I have been able to obtain from a number of very reliable sources, the most recent being from Rev. Canon Alvin J. Thomson, President, Thunder Bay Council of Clergy, 201 Woodside St., Thunder Bay, Ont. As you well know, clergy visit hospitals to see their patients on an ongoing basis. They have an excellent opportunity to see what the conditions are. When they walk into a hospital and see patients in beds in the hallway over a protracted period of time, waiting for admittance for elective surgery or whatever, they have every right to assume there aren't sufficient active-treatment beds in the three existing hospitals in the city of Thunder Bay.

I could document at quite some length the kinds of representations that have been made, not only to myself but to the hon. member for Fort William (Mr. Jessiman) and the hon. member for Port Arthur (Mr. Foulds). The latest communication we got explaining the situation, was in a letter dated Nov. 1, 1974, signed by J. C. Baldwin, MD. It was sent to the three of us, so obviously we are all getting the same kind of flak, we are getting the same kind of representations for the maintenance of the existing active-treatment beds in the city of Thunder Bay.

I want to read a portion of the letter that Dr. Baldwin sent to Rev. Canon Thompson on Nov. 1. He said:

> I would like to thank you for your letter of Oct. 15, 1974, and your council's expression of concern relative to the general active-treatment bed situation at the hospitals in Thunder Bay. I must admit to you, however, that I feel compelled to take exception to some of the facts and figures outlined in your letter.
>
> To date, the ministry has only requested the hospital planning council in Thunder Bay to look at the bed utilization in the city and to come up with a plan that will possibly reduce the active-treatment beds in Thunder Bay by 86 beds. As of this date, the hospital planning council has not come up with such a plan nor has there been a definitive decision in reference to the cutting of such beds until alternative facilities are open.
>
> In the latter part of 1973 and the early months of 1974, the minstry on several occasions requested from the hospital planning council to cut down the active-treatment beds in Thunder Bay by 25 active beds only. This was not achieved, and since the amounts of money relative to such bed cuts have already been taken out of our budget here at the ministry, we therefore had no alternative but to pro-rate the total amount of moneys for these beds and to delete this amount from the budgets of each of the three active-treatment hospitals in Thunder Bay for the fiscal year 1974.

So that in one paragraph he says they have taken no action and they are still waiting for a recommendation. Here is proof positive they have actually reduced the budgetary ratios to the three hospitals for their failure to get down within the guidelines as recommended by the Ministry of Health. He went on to say:

> I would also like to draw to your attention that there are 100 chronic-care beds to be opened at the Walter P. Hogarth

Memorial Hospital in Thunder Bay soon, and in the spring of this year the ministry approved the construction of a 150-bed nursing home facility in the city of Thunder Bay."

It is my understanding that in the Hogarth Memorial Hospital there are only something like 15 patients being treated in a 100-bed chronic-care hospital because of a shortage of staff. So you can't actually say those are on stream because they just aren't. We don't have the wherewithal to serve the number of people that it could accommodate.

On the other one, where he states in the spring of this year the ministry approved the construction of a 150-bed nursing home facility in the city of Thunder Bay;" I want to tell you that the sod hasn't even been turned on that location because of somebody's suggestion that that isn't the ideal location for it. That's the information that I have.

Hon. Mr. Miller: It's a financial problem.

Mr. Stokes: You suggest it is financial problems. All right, regardless of the problem it is unfair to use this kind of an argument to justify the reduction in the number of beds on the grounds that a facility is in place, when as I say they haven't even broken the ground yet.

I am sure the member for Port Arthur and the member for Fort William will get up and substantiate what I have said. I think it's absolutely essential you listen to people in the area. I see no reason why I, as a member, should be getting up and saying—if I couldn't justify it and I really didn't feel strongly about it that we need those beds in order to provide the kind of treatment that people deserve and people expect.

The Thunder Bay Council of Clergy are not a wild-eyed group trying to embarrass you or anybody else. They see a definite need; they are sincere, honest and they are people of integrity who are trying to provide a service and to ensure there will be no reduction in the service. In fact they would like to see an improvement in the service. these reprsntationst

So as I say, I hope you will take all of these representations that you are getting seriously, because they are well-meaning people, people who are reacting to a particular need, a need that you people down here take for granted—but one that we have to fight tooth and nail for in remote areas of the province.

All I am saying is the kind of weighting factors that you are using down here don't necessarily apply throughout the province. We think we have a good case and I, for one person—Mr. Minister, implore you not to insist on or not to effect any reduction in the active-treatment beds in the city of Thunder Bay at the present time; not only to meet the needs of the people in the city but those for hundreds of miles around.

Hon. Mr. Miller: Mr. Chairman, I always take the comments of the member seriously and I take them seriously now. We don't have the same planning standards for northern and southern Ontario. I don't know if you are aware of that or not. We allow 4.5 beds on a weighted basis for age, so that can mean more in northern Ontario and four in southern Ontario. There is a different planning standard and therefore you have some 12.5 per cent more beds in northern Ontario on a basis of population than we do in the south on our planning standard basis. I think if one compares that with, say the Province of Quebec standards which are somewhere around 3.2, and with Scotland's at 2.2, you will find we have probably more beds per 1,000 people than almost any other industrialized nation.

It's axiomatic, whether I like it or not; beds created are beds used. The real issue then becomes whether the beds are used properly, whether the people who need the services are not getting in because people who shouldn't be there are still there.

There has been great co-operation from the province's hospitals in the last year and a half to tighten that situation up, to utilize the alternative care facilities to some degree; and of course it implies that we will have them. This is one of the reasons for trying to get you—you recall, two years ago it must be, we worked on getting the chronic hospital started up there, realizing that was one of the areas of greatest need in the Thunder Bay area.

On the nursing home situation, it is not our money that's holding it up. We have authorized the capital, but in today's money markets, I understand the first applicant—and I am looking to the other member for that area to tell me there were some problems with him arranging mortgage money in the area.

This is basically the issue. You know the problems of mortgage money in the markets of today, and that was one of the reasons why, in good faith, we gave the licence to the person who in good faith accepted it,

believing he could build a nursing home. He, in turn, has had difficulty raising money, at least at the prices he is willing to pay. I am not sure whether it's raising money in total or raising money at a price on which he feels he can make a return on investment of some type.

Now you are in one of the two areas of the province that currently has a health planning council. It has just begun; although it really hasn't begun its work at all. The things you and I have been discussing within planning standards will become the kind of thing to be resolved at the local level.

I fully appreciate the sincerity of people like the Anglican minister who wrote to Dr. Baldwin. I can't question it; it's very hard to argue with anyone that there's a surplus of beds when people are staying in the halls of a hospital or when you can't get in. You know, I personally have sat in an admitting room or a recovery room or whatever it is they call it at the hospital, feeling very ill for about eight hours while somebody looked around for a bed for me. I quite recognize that it is not the nicest way of spending an afternoon.

And yet if we built five beds per thousand, or 5.5 or 6 or 6.5, as we have in certain areas, we'll still find that in most areas those beds will be totally used by the people who are responsible for admitting patients and looking after them in hospitals. So whether we like it or not, it is one of the constraints.

I recall both your colleagues and those in the Liberal Party pushing me to say what had I done; what had I done, after my speeches around this province, to do something about increased health costs? Well one of them is to try and enforce or encourage adherence to the planning standards that we accept through the province. Those planning standards have been cut over the past two or three years, and we now find surpluses of beds in a number of places in the province where two years ago planning standards would have predicted just enough. So we've often had the embarrassing situation of a hospital that is virtually new with some empty beds, because we're not using them right now.

Mr. Stokes: Okay, right there, can I ask you two questions? The first one is: Am I accurate in my assumption that the only way a person can get into a hospital is if he's referred there by a doctor? The only other alternative is if it happens to be emergency treatment and he comes in via that route.

Now the thing is that if people are as frivolous as you would like to suggest, the more beds there are the more people will find a reason for getting into them.

Mr. Foulds: Nobody spends a holiday in hospital.

Mr. Stokes: But surely if your figures are right, you can tell me of another way a person can gain access to a hospital for a frivolous reason. He must have been referred there by a doctor.

Now the thing is, are the doctors being frivolous? Maybe they'd like to say: "Well, okay I can see 40 or 50 of my patients in two or three hours in a hospital, as opposed to the few that I can see in the same length of time at my office. So sure, we refer the majority of the patients to the hospital; and I can just run around from door to door with a nice bedside manner and everything else."

I don't think all doctors do that, but I think it's implicit in your suggestion that's what they are doing. Because as long as you have beds, you'll find doctors with patients that will fill them and overflow them. I'd like you to respond to that.

However I want to ask you one thing in particular. Will you instruct your officials and Dr. Baldwin not to harass those three hospitals and insist they get down under those guidelines by a reduction of 86 active treatment beds until two things happen; either they get a recommendation from the newly-constituted health council; or until you have these alternatives that Dr. Baldwin speaks of in place, ready to go and ready to absorb those people who think they need medical attention—or for whatever reason do need medical attention?

Hon. Mr. Miller: Well to answer your last question first, yes.

Mr. Stokes: Good.

Hon. Mr. Miller: To answer the other one, I don't imply frivolity in the use of beds. It is simply that the standards for admission change as the number of beds available change. For example, length of stay of patient increases. That's one of the ways—8.7 days, I think at the current point in time, is the average length of stay for a person in a hospital in Ontario.

Mr. Stokes: Yes, but the doctor makes that determination, not the patient.

Mrs. Campbell: No. The ministry makes that determination.

Hon. Mr. Miller: No. The ministry doesn't make an individual determination of any kind. The ministry gives guidelines—

Mr. R. S. Smith: Directed to a committee in the hospital.

Hon. Mr. Miller: Yes, there's a discharge and admission committee, I believe, in most hospitals, that basically appraises the state of patients in a hospital. We have teams from the College of Physicians and Surgeons that go around and analyse the admissions to hospital, the treatment given to a patient in hospital, the length of time he stayed, the adequacy of the care he got, and whether he was released on time or not.

Mrs. Campbell: That's not in the teaching hospitals yet, so they say.

Hon. Mr. Miller: Well in any case, the fact remains we make these analyses. It's quite interesting to see, sometimes, that they come up with a number of patients who in their opinion should never have been admitted in the first place.

The fact they were admitted doesn't mean that the doctor was being frivolous, he may have had some compassionate reasons for putting a patient in. I know of one very recently—a man who suffered from a severe stroke, who doesn't need hospital care, but frankly his family needed a few days without him, and because the bed was available it gave the wife a much-needed one-week rest when his doctor admitted him to a local hospital and let her go away for four or five or six days. Frankly, if the hospital beds are available I see nothing wrong with it.

It is a strange thing to say in an era of great constraints, because the real cost of the system is having the hospital bed. But therein lies our problem: It is the attempt to constrain those beds by 86 beds, and by doing so perhaps to find the very staff you need in the hospital that can't get staffed, and divert the care where it should go. I don't know about the staffing problems up there, but except for registered nurses throughout the province, generally we have been able to find the type of care needed.

We have problems with people not wanting to look after chronic-care patients. I think this is a recognized problem in the health field today; and one I would like to encourage a change in, toward the senior patient suffering from chronic diseases. It is not an exciting business. Patients seldom get better and there is no sense of success, or whatever it is that gives a person his thrill at the end of a day, in many instances. It takes a particular kind of devoted person to work in that atmosphere. I have been in some chronic hospitals that are a joy to go into; others that are not very much of a joy to go into.

Mr. Stokes: You will give us the assurance that you won't insist on the reduction of the active-treatment beds, nor will you reduce the grant until such time as either your health council says it or there is alternate accommodation? Thank you.

Mr. Chairman: I would like to recognize there have been several members who wish to speak on item 2. Perhaps the minister may have answered the question or the comment, but I am going to enumerate the names now so you will know I haven't forgotten you. The members for Nipissing, Wenworth North, Kent, Ottawa East, St. George, Fort William and Port Arthur.

Mr. R. S. Smith: Mr. Chairman, I have a few questions. Actually we haven't been talking on item 2 all afternoon, we have been on item 3, and the question I have is on extended-care units in the Nipissing area.

Hon. Mr. Miller: With respect, Mr. Chairman, we have been on item 2—ambulance and hospitals.

Mrs. Campbell: Ambulance services.

Mr. Chairman: Vote 2803, item 2, is the area.

Mr. R. S. Smith: Oh, you are at that one are you? Item 2. Well, general hospitals and related activities—you are doing each part of this section? You mean I have been sitting here 2½ hours to talk on the next section?

Mrs. Campbell: Yes.

Mr. R. S. Smith: Well, I will talk on this one then, because I don't intend to waste that much time. Anyway, the fact of the matter is that in our area we have had some difficulties very similar to those the member for Thunder Bay brought up, except that our difficulties have moved down from the active-treatment beds into the chronic-treatment beds and those that are covered in nursing homes For the first time in the electoral district of Nipissing we have had a nursing homes. For the first time in the elec- of last year with a rated capacity of 125 at the present time. There are some nursing-home beds, or beds that are covered under extended care, in the home for the aged in the city as well and some in the home for the

aged at the other end of the riding in West Nipissing. The fact of the matter is that there is still a great shortage. Some other beds are in Parry Sound or Nipissing.

I have talked to the doctor in charge of the area, Dr. Baldwin, and we had some long discussions on this.

First, I would like to ask the minister if the ratio is 4.5 per 1000 for active treatment, what is it for chronic and nursing?

Hon. Mr. Miller: The chronic ratio is one per 1000, age-weighted again; and the nursing home ratio for planning standards has been 3.5 per 1000, if I'm not wrong, also age-weighted.

Mr. R. S. Smith: It's 3.5 per 1000. Okay.

We have had a request in for an extension of the one nursing home which has been opened and has 125 beds approved. There is room there for 75 more beds, but the word from the ministry is that these can't be approved because of this weighting factor and because of this 3.5 per 1000, which the ministry claims is available in the area but which I claim isn't available in the area. It just depends on where you place some of the other facilities and in what area you would consider the other facilities.

Also, I don't think there has been any consideration given to the fact that many people were moved out of the psychiatric hospital in the area into the nursing homes to reduce the cost of operation of the psychiatric hospital and because these people can be just as well treated in the nursing home setting.

I looked over the waiting list of one of the nursing homes concerned and of one home for the aged where there are nursing home beds or extended care beds. On that waiting list I found there was a great number of people. Eight of them were in active treatment beds in hospitals and three in the other, making 11. There was one in psychiatric hospital. There were 11 in homes for special care. And there were six in other nursing homes in other parts of the province who had requested movement there because they would be near relatives and that type of thing.

The total cost of keeping those people in those facilities runs between $900 and $1,000 per day. The total cost, if you accredited the other 75 beds in this nursing home, would run you about $800 per day. So if you accredited these other beds, you would be saving the government about $200 per day.

It doesn't always follow from the fact that you accredit beds or don't accredit beds, or you recognize beds or don't recognize beds, that you're going to save money or that you're not going to spend money. I think that's the fallacy in the methods you've used. Just to set numbers and say this is going to do the job is really not even close to being factual, nor is it close to what is actually happening in terms of health care services in the hospitals.

The hospitals admit and release patients on the say-so of the medical practitioner, who is judged by a committee on a weekly basis in most hospitals, as I understand, as to whether his patient should be there or not. Therefore, the actual money spent on a per diem basis in the active treatment hospitals is decided by those committees and by the individual doctors.

In this specific case I would like you to tell me how you're saving money by not allowing these other 75 beds to open up when there is such a great demand for them.

Hon. Mr. Miller: Mr. Chairman, I am proud of our nursing home programme. I agree that we can't plunk down planning standards anywhere in the province and assume they'll work. I spent a great deal of time as parliamentary assistant studying this very issue. The weighted-age standards of the number over 65, which is the basic client group, heavily influence the number of beds an area needs.

We do have to take into account a number of factors. We have to consider the total bed structure of the area, and not just the chronic, nursing home or homes for the aged facilities, because we do have to allow for the beds that might be surplus in the active treatment field.

In fact, where we have active treatment beds that are surplus to our current needs it is still cheaper to utilize those for nursing home care than to transfer the patient out, in most cases. So there are a number of factors that are involved.

What I mean by that is, if I take the existing 20 beds of a hospital that may be deemed surplus—that are being used by potential nursing home patients, for example—and I move those people out into a nursing home and pay $17 a day each for them, then the saving in the hospital probably wouldn't come to $17 per patient per day, if you follow me.

Mr. R. S. Smith: I don't know how you figure that out. If you take a person out of an $80-a-day bed and put him in a $17-a-day bed there is a difference of $63 a day. I don't care how you add and subtract, what-

ever new mathematics you want to use, that's what it is.

Hon. Mr. Miller: I think you are wrong. If you will let me explain I'll be glad to do it.

Mr. R. S. Smith: I know exactly what you are going to say. You go on the concept that the cost is there for the beds whether they are used or not. You pay the hospital, on the global budget, that much money. Maybe this is wrong. Maybe you should look at that again, look at the use that is being made of the beds in the hospital and pay on that basis.

Okay. I'll pass that question over, because obviously I'm not going to get anywhere with you. We just go around in a big circle.

Hon. Mr. Miller: But you are wrong. You just have to listen.

Mr. R. S. Smith: I have listened to the argument from the doctor, I've listened to the argument from other people in the ministry and—

Interjection by an hon. member.

Mr. R. S. Smith: That's right, and after I listen to you people I certainly will remain so, because the amount of sense we get out of some of these things is really hard to fathom.

That leads me to the other question of the provisions within this global budget that you provide to each hospital. We have a hospital in the city which is providing a special service, an innovative service for alcoholics, and it has been the decision of your ministry for two years running now that this service cannot be included in the global budget. I have never been able to fathom the reason it couldn't be included. In other parts of the province we have the establishment of drunk tanks, we have the establishment of detoxication units, we have the establishment of similar-type services in Thunder Bay which are on the same basis, that are covered in the global budgets for health costs.

Besides that, in Toronto we have a hospital at the addiction research centre that's totally used for treatment of addiction to drugs or alcohol. In my area we have zilch, nothing.

I'm kind of proud of the hospital you have over there, except for the large operating rooms that you put into that hospital and the waste of money in that respect, when you have similar types of services within three or four blocks in four other hospitals. There was no need for that waste of money, but it was done. Other than that, I think the addiction research hospital serves a major purpose in this community.

But in my community you are not providing that type of service whatsoever. Here we have a hospital which has funded it out of its own funds for two years and yet it is being continually refused any assistance within its global budget for that service, which is being provided on a day-to-day basis to a maximum of 15 persons on a per diem basis. I'd like the minister to reply.

Hon. Mr. Miller: I am going to get more details about the alcohol programme you are referring to. The only information I have implies it was started quite properly on local initiative but without authorized funding from us. As you know, any programme in any hospital requires approval for funding before it is started, because on this basis we would have a great number of programmes spawned in places where they may be needed or may not be needed, but above all may be created at a time when the funds aren't available for their operation. I will get the information on it in more detail and try to answer you.

Mr. R. S. Smith: The fact of the matter is that in spite of being turned down it was started and was provided by the local people with their own local funds. But I am saying to you you are providing similar types of treatment right across this province, not under general hospitals but in other areas of health services, and I can't for the life of me understand why it cannot be provided in that area as well. I know it's a different type of service and it is innovative and it is a change from the norm, but perhaps it will work out better than some of the other services that you have provided—where there is real question as to whether they have worked or not.

The other point is the detoxification centres which are to be provided if you have so many people in an area. It doesn't matter as to how many drunks you have in the area; you have to have enough people.

Hon. Mr. Miller: No, sir.

Mr. R. S. Smith: That was the original presentation put forward by a former minister—that for under 50,000 there would be no detox centres. If you can point out to me a community that has—

Hon. Mr. Miller: May I stand up on that one point a second? My understanding is—and again I will check this—that the detoxi-

fication centres that are planned in I think 15 or 16 localities were based upon the known incidence of alcoholism, as indicated by arrests for drunkenness in the community.

Mr. R. S. Smith: Okay. So obviously you are going to have detox centres where there are larger numbers of people, because the incidence does not vary that greatly from one area of the province to another.

Hon. Mr. Miller: Again, with great respect, Mr. Chairman, it does vary a great deal. When I was in Kenora this year I understood that there were 16,000 arrests for drunkenness in a town of 12,000; in Toronto, with two million people, there were 27,000 arrests for drunkenness. This is just an indication of a social problem, I agree, but the fact is that Kenora got its detox unit because of its tremendous problem. Therefore, contrary to your implication, detox centres were put where the problems existed.

Mr. R. S. Smith: Where the greatest problems with the greatest number existed. But what you are not doing is providing an equalized service to all people. If you happen to live in an area where there are a lot of other drunks you are going to get the service; if you happen to live in an area where a higher percentage of the people stay sober, you are not going to get the service. That's just what you are saying.

That's a ridiculous way of establishing a programme, as far as I am concerned. That's just like saying to the fellow who has cancer: "If you live in an area where there is a lot of cancer we are going to treat you, but if you have cancer and there is not too much cancer in your neighbourhood we are not going to treat you." That's just about as ridiculous as what you are saying about detox centres. The same applies, because they are both diseases—whether you consider that or not, I do.

Mr. Chairman: The hon. member for Wentworth North.

Mr. D. W. Ewen (Wentworth North): Mr. Chairman, I would like to get back to the ambulances. Listening to the members here this afternoon, it's quite obvious, Mr. Minister, that there are areas of the province that need this service. There's no doubt in my mind that you yourself have experienced a very hazardous experience. I believe that your wife had two broken legs, there was no service in the area, and you drove her, I think, 60 miles in the back seat of a car to try to get medical aid. So no one knows the problem better than you.

I have had the experience on two occasions of riding in ambulances dispatched out of Halton region. I was very much impressed with the knowledge of the attendants and the way they looked after a person in pain. I was impressed too by the equipment that the ambulances carry.

We have a unique situation in the township of Ancaster where the Ancaster fire department have an ambulance. I'm sure the minister's aware of the record of that department and the lives that they have saved among the 16,000 people in that particular township they serve. They have done a tremendous job at a very reasonable cost.

My question to you, Mr. Minister, after experiencing this situation, is: Why can we not encourage this in other areas, in the Hamilton region in particular, where I know you are cognizant of the problems of dispatching ambulances out of the city of Hamilton into what I call the boondocks, where the dispatchers and the ambbulance drivers are not familiar with the roads in the townships and the angles at which they run?

I think this is an area, sir, where you should take really serious consideration about the dual approach. Maybe throughout the Hamilton region we will eventually be under the Hamilton fire department—this I don't know. But I think Ancaster is a good example of a fire department which has a dual role. Its ambulance has been called into the city when there has been a crisis—a serious accident or an explosion. They have a record of being at the scene before some of the private enterprise units.

I wish you would take a serious look at this method of operation. I would be interested in your comments and if you would suggest to members that they encourage this dual approach in municipalities in these regions.

Hon. Mr. Miller: It is certainly one I am taking seriously. We have had some of the larger municipalities who operated a dual service—ambulance and fire—opt out of the scheme lately. I can refer to Oshawa, I think, for one. Lindsay is talking about some problems. Brantford is thinking about it.

But, certainly, we have at least two that are facing some of the problems with conflict of service at that point when they need the ambulance operator and the fireman at the same time. Where volunteer brigades work, I think there is a lot to be commended for them. Volunteer brigades, just like volunteer fire departments, in the main, are more likely to occur in smaller communities, like

the one I live in. And certainly there is nothing in our policy that would mitigate against a volunteer organization.

Mr. Chairman: The hon. member for Kent.

Mr. J. P. Spence (Kent): Mr. Chairman, a little while ago the Minister of Health said the Act says that ambulances under his ministry are not allowed, or not supposed to carry dead persons. Is that right? Of course, you know, many of us, or quite a number of us, have been at the scene of accidents. And of course, you see bodies on the highway or on the side of the road. Your ambulances are there, and it is quite a concern. It is a hardship on the next of kin from the time the accident happens until the time the bodies are removed. The time seems too long, and it is a concern to communities where the victims reside.

Mr. Minister, you seem to say that this Act says that those ambulance drivers must not move or transport a dead body. I want to live as long as I can, and if I were in an accident I would want to be transported as quickly as possible to the nearest hospital for the best chance to save my life. And I just want to know more about this Act which says ambulance drivers must make sure that the people are dead. I would like to hear from you if you could tell me why it takes such a length of time from the time of an accident until the dead person is removed from the scene? It's a hardship for the next of kin to wait around for hours before the bodies are removed.

Hon. Mr. Miller: Mr. Chairman, I quite sympathize with the comments you made, and I can assure you if there is any chance you will live, we will get you there.

Mrs. Campbell: Just don't you be the one to give that permission.

Hon. Mr. Miller: I think the implication I tried to leave before was that if there is doubt of any kind, the person was to be moved. It is only where they really felt there was no doubt at all, that the body was not to be moved; and I believe that's policy.

The question of moving the body certainly does bother the next of kin; and I sympathize again with the people who have this problem. But if a person has been killed, I believe the coroner must make an investigation prior to the removal of that body. There is just nothing in our regulations that would permit any prior movement of the body. So, really, the issue hangs more, not upon the availability of a transfer service, but upon the need for the coroner to investigate the cause of death or to certify death, or whatever it is that he has to do at that point in time.

I am told that where there is no removal service readily available, the coroner may order—and I assume he may order the ambulance—to remove the body.

Mr. Chairman: The hon. member for Ottawa East.

Mr. Roy: Oh, my turn, Mr. Chairman? Thank you.

I just want to ask briefly, Mr. Chairman—and possibly if this question has been asked before, the minister could tell me and we could proceed to something else—has anyone asked the minister about the problem which received some press about a month and a half or two months ago, about Oakville, where the ambulance was so old?

Hon. Mr. Miller: That has been discussed.

Mr. Roy: That has been discussed. Now, has anyone asked the minister whether he has looked into the situation dealing with the problem in Pembroke in the hospitals, and the squabble down there with the association? That's been asked.

Hon. Mr. Miller: No, it has not been asked.

Mr. Roy: No, it's not been asked. Mr. Chairman, I just wonder if the minister might advise us what he is doing now down in Pembroke. I appreciate that it appears to be an internal type of a squabble in the sense that one doctor—and I don't recall his name a—nd the rest of the profession seem to be fighting. The community apparently has been split as well, and there have been problems about whether he should have hospital privileges or not. Could the minister give us an up-to-date report, because it seems to me that people in that area are certainly concerned about Pembroke?

Hon. Mr. Miller: I assume that it properly comes under this vote, Mr. Chairman, although I think we are stretching the vote to do so.

Mr. Roy: Oh? Aren't we on hospitals?

Hon. Mr. Miller: It's not really a hospital question half as much as it is a medical question within the College of Physicians and Surgeons. However, having given my caveat, let me proceed.

The issue was created when a doctor in the community in Pembroke lost his privil-

eges as a result of a hearing by the College of Physicians and Surgeons.

Mr. Roy: Is that Dr. Sutherland?

Hon. Mr. Miller: That's Dr. Sutherland, yes, since you have mentioned the name yourself.

He was given, I believe, a three-month suspension of licence. He was charged for the costs of the hearing, and I believe the costs of the hearing were in the range of $25,000. I may be wrong in that figure. That occurred just about the time the health disciplines bill was debating costs and fines. After the three-month suspension period, the doctor applied to one, if not both hospitals, asking for a reinstatement of his hospital privileges.

Mr. Roy: I am on the right vote.

Hon. Mr. Miller: They were denied. He prepared an appeal to the hospital appeal board and withdrew it. He then, I understand, launched a series of counterclaims in the community against fellow physicians, stating that they also were not supplying adequate services to people in the community.

Mr. Roy: You are not talking legal counterclaims?

Hon. Mr. Miller: Not legal counterclaims; simply statements, allegations, charges. I believe there were charges, in the fact that they were written, stating that based on his experience a certain physician had either carried out an improper act or had done it poorly, or whatever may constitute poor professional practice.

I heard there were very many pages of such claims and counterclaims going on in the community, and naturally a great deal of local emotion was evoked. The community did split right down the centre. There is a group called AIMS, I believe, headed by one of the outstanding citizens of the area, which is trying to reinstate the privileges of that doctor. There is an equally vocal group claiming he should not be reinstated.

This is the kind of issue that self-governing bodies are designed to solve. It is my position as Minister of Health that where the charges are from doctor to doctor about professional services, they are to be investigated and dealt with by the self-governing agencies, not by the Ministry of Health. My problem would be entirely different if, in fact, there were not staff on those hospitals able to give services to the people of that area.

I have discussed this and I have decided that it is not proper for me to be involved in what are basically personal squabbles over the quality of care in a community given by people who don't like each other very well.

Mr. Roy: Well, Mr. Chairman, if I might have a small discourse with the minister on that point. I appreciate that originally this was clearly an internal matter and a matter that, generally speaking, when you have it between professionals of the same profession it should be solved by the association, by their own executive. The minister, if at all possible, should not intervene in what clearly appears to be an area where there is another system of solving that problem.

My first question to the minister is is he satisfied that health services in the Pembroke area are not deteriorating and are quite adequate?

Hon. Mr. Miller: Can I answer that now?

Mr. Roy: Yes.

Hon. Mr. Miller: I suspect that at the current point in time health care has never been given as carefully in the Pembroke area.

Mr. Roy: What you are suggesting is that the heat put on the rest of the members of the profession by Dr. Sutherland might have a salutary effect on the others. I take it you don't want to say that but I am saying it for you. I take it that's what you meant.

Mr. Foulds: Carefully doesn't necessarily mean good.

Mr. Roy: The second point—and I have expressed concern about this as well and I think I mentioned this to the minister in my opening remarks—is about the question of hospital privileges to doctors. I am very concerned about that and I gave you as an example the legal profession. If someone was admitted a member of the bar and was told that he needed privileges to plead in the courts, it would be totally unacceptable. Yet you have that system in relation to doctors where a doctor is accepted as a member of his profession but often to earn a living and to earn any income he has got to go into a question of hospital privileges. You have a situation very often of the status quo, in which a hospital is not prepared to admit one individual against another.

Are you looking at that question of hospital privileges, because we know there have been problems? For instance, there was the

problem here in Toronto about this doctor—I don't recall his name—who appealed and all it cost him. What's his name?

Hon. Mr. Miller: Schiller.

Mr. Roy: Dr. Martin Schiller. It becomes a ridiculous situation where, if one is going to fight the system, then the legal costs just become prohibitive even for a doctor. I am just wondering if the minister is giving it consideration.

Mr. Foulds: That stretches credibility quite a bit.

Mr. Roy: What does?

Mr. Foulds: That the expenses become prohibitive for a doctor.

Mr. Roy: Let me tell you in the Schiller case, it certainly stretched his capacity. It was something like $45,000 I think he owed.

Mr. Foulds: Six months' salary.

Mr. Roy: I am asking the minister is he looking at the question of the granting of hospital privileges? I am saying I think most hospitals in this province have people who are responsible, who have the welfare of the community in mind, but in many areas it's a closed shop. I am just wondering, Mr. Chairman, if the minister might comment on that issue.

Hon. Mr. Miller: Mr. Chairman, the question of open access by all physicians to all hospitals would result, in my opinion, in a degree of chaos in the system.

Mr. Roy: Why?

Hon. Mr. Miller: A hospital board is responsible for the quality and quantity of care given within it. It and its medical staff have the right to determine that the people giving that care (a) can be supported by the physical facilities of the hospital; and (b) have the competence to carry out the duties as required. In fact, they have a series of ways of auditing the care and proceedings of doctors.

In the smaller communities of Ontario, it is very seldom that a physician does not get the right to go to a hospital simply because there isn't the likelihood of an oversupply, particularly of highly specialized people. I would say many Toronto hospitals—I wouldn't restrict it to Toronto—most of the city hospitals aren't particularly restrictive in terms of the general practitioner. Their restrictions are more likely to apply to specialists when it comes to allowing them to serve on the staff.

It is not a question of a closed shop. It's a question of a physical plant being able to handle the people coming to it and the board accepting responsibility for the performance of their work within limits. I would support the system which makes it mandatory for a person to be acceptable to a hospital and that limits of some type may be applied to the privileges he is granted by the board on the advice of the medical advisory committee, if I have got the proper terminology there.

Now, as far as the appeal process goes, the high cost bounces the ball right back into the court of the legal fraternity, doesn't it?

Mr. Roy: Well. you don't expect lawyers to plead the case for nothing, do you?

Hon. Mr. Miller: No. I don't. But, surely to goodness, though, in the problem you have pointed out, the costs of an appeal through two or three levels of appeal are common to all kinds of justice, are they not?

Mr. Roy: Yes, they are, but the problem is that they're not the ones who get legal aid. The problem here is that you have an imbalance of the parties to start with. For instance, in Dr. Schiller's case you had a hospital board on the other side and they had unlimited funds. Where was the curtailment on the funds they could spend for an appeal?

Hon. Mr. Miller: Whenever it's the Crown against an individual, does not the same case apply?

Mr. Roy: Well, generally there's no money involved in the sense that they are the Crown's cases.

Hon. Mr. Miller: Well, the Crown has unlimited resources to plead its case. I'm only commenting that the courses of justice that we feel are necessary, or the levels of appeal, inherently bring with them costs. Traditionally, the precedent system determines who should appeal. I think you would agree—you're a lawyer; you can tell me far more about this than I can.

Mr. Roy: Yes, probably.

Hon. Mr. Miller: In this matter, Dr. Schiller was the first to appeal to the courts. The courts reversed the decision, which is their right to do. Somebody thought I criticized the courts. I certainly do not. I wouldn't question the judgement of a court.

Mr. Roy: You mentioned the Crown, but let me point out the differences when the Crown is involved and when a hospital board is involved. We have a system in this province— and it's even been changed since 1971—whereby the complaint is usually apart from the Crown. The complaint—let's say the police in relation to a charge—complains. An independent party, the Crown attorney, comes along. They're even under different ministers. The Crown attorney looks at it. He's considering independent, impartial, with no self-interest involved, so you can't accuse a Crown attorney of being partial. Our whole system works that way. Impartiality is the essence of the system. There is no self-interest involved on the part of the Crown attorney. The public accepts the fact that when the Crown attorney's case proceeds, it is strictly on the merits of the case and not because of some personal vendetta.

On the hospital board it's a different story. The hospital board is the one that made the original decision to refuse this man access to the hospital. If they go up to the hospital appeal board and lose, then they have a self-interest at that point to see that their original decision is restored. That, of course, is why they appeal. That's why I say they have unlimited funds. And there's self-interest in there, because the people on the hospital board want to see their original decision vindicated.

I'm saying to you that you should do what I think I suggested at one time in this House and put a limit on how far the hospital board can take one of these appeals. I'm convinced that in Schillers' case, had he succeeded, for instance, at the divisional court, I'll just bet you that the hospital board probably would have gone to the Court of Appeal and, if necessary, to the Supreme Court of Canada.

I'm saying to you there's no limit on how far they can go, and there's no limit on their funds. That is where the difference lies.

Hon. Mr. Miller: Well, I'd have to check up on procedures. I thought there was only one more level of appeal left at that point in time. But even so, the very fact that people learned in the law—not me—have decided that there should be these numbers of levels of appeal indicates the human nature of decisions, doesn't it? As does the very fact that some people may feel that the decision rendered wasn't fair.

I find it difficult to justify the fact that a board, made up of human beings making human decisions, should be prevented from trying to vindicate their point of view if in fact they feel they're right.

Mrs. Campbell: At public expense.

Mr. Roy: At public expense.

Hon. Mr. Miller: At public expense. I agree it's at public expense, and that's a weakness in the system. The fact is they're representing the interests of the public in spending that money.

Mr. Roy: Ah, that's where we may well differ. Some people would say that the interests of the public are not at stake here, but rather the interests of the people on the board. That's where there's a big difference. I understand that you can always justify a basic decision in some way, but you've got to have a decision like the one in Dr. Schiller's case to realize the weaknesses in the system, and you should look at that. I am suggesting to you that there should be a limit to how far a board can take one of these appeals.

Having made that statement, Mr. Chairman, may I proceed with the next point I wanted to raise with the minister, and that is a question of drugs?

Mr. Chairman: Not in this vote.

Mr. Roy: Oh, I am sorry, aren't drugs that were bought for hospitals covered here?

Mr. Chairman: We are on item 2.

Hon. Mr. Miller: Are you talking about the direct line or drugs in hospitals?

Mr. Roy: No, the drugs that are purchased on behalf of the hospitals.

Mr. Chairman: We are not on that vote yet. We are on item 2.

Mr. Roy: Where would that be?

Mr. Chairman: Drugs purchased for hospitals?

Mr. Roy: Yes.

Mr. Chairman: I would rule that that would be under related activities.

Mr. J. A. Taylor (Prince Edward-Lennox): I am wondering, Mr. Chairman, if I could say something on nursing homes, because we seem to be getting off that subject in this vote.

Mr. Chairman: Wouldn't that be under extended care, item 3?

Mr. Taylor: We were discussing nursing homes about three-quarters of an hour ago and we seem to be getting into other areas now.

Mr. Chairman: I think we were referring to nursing homes in relation to hospital care, that it would be cheaper.

Mr. Stokes: Alternate facilities.

Mr. Chairman: Alternate facilities. It was not really debated, it was just casually mentioned; that was the Chair's understanding. I have the name of the hon. member for Prince Edward-Lennox. I am wondering if I might recognize the hon. member for Fort William and then the hon. member for St. George?

Mr. Roy: Mr. Chairman—

Mr. D. H. Morrow (Ottawa West): Mr. Chairman, are we on hospitals now or what vote are we under?

Mr. Chairman: It is item 2 in your book—general hospitals and related activities—which covers ambulance services, psychiatric —

Mr. Morrow: I want to take an opportunity of saying something about chronic-care hospitals. Are we under that vote?

Mr. Roy: Yes, you are under that vote.

Mr. Morrow: Am I in order at this time?

Mr. Chairman: I would ask you to defer to the hon. member for St. George. However, I have noted that you want to speak.

Mr. Foulds: Mr. Chairman. I believe you read out my name as being removed, for some reason I don't understand.

Interjection by an hon. member.

Mr. Foulds: No, no, no. I was on the list immediately after the member for Fort William.

Mr. Chairman: May I point out that the Chair made one error here. I had the hon. member for St. George, then I had the hon. member for Fort William, whom I thought had caught my eye, and then the hon. member for Port Arthur.

Mr. Foulds: Oh, that is fine.

Mr. Chairman: So I would like to recognize the hon. member for St. George and then the hon. member for Fort William.

Mr. Roy: I wasn't finished with my remarks, Mr. Chairman. I wanted to talk about drugs in hospitals, and I was told by you I was on the right vote.

Mr. Chairman: In that case, I recognize the hon. member for Ottawa Centre.

Mr. Roy: Ottawa East, Mr. Chairman.

Mr. Chairman: Ottawa East. The Chair apologizes.

Mr. Roy: Mr. Chairman, I would like to ask the minister several questions in relation to drug purchasing for hospitals in this province.

I understand you have a system whereby there are different setups for the purchasing of drugs, and I am advised that you purchase drugs for hospitals in three ways. You have a plan called HPI—hospital purchasing something else—which purchases for some 38 hospitals. I am advised further that the Ministry of Health then purchases drugs for our psychiatric hospitals in the province. Then you have another outfit called HPP—that is hospital purchasing plan or something—which purchases for the balance of the hospitals.

The first question of the minister is, am I right at that point, or if I am wrong, how do you purchase drugs for hospitals?

Hon. Mr. Miller: I am just checking. The choice in the public hospital field is that of the hospital.

Mr. Roy: Pardon me?

Hon. Mr. Miller: The choice of the mechanism by which drugs are purchased is left up to the individual hospital.

Mr. Roy: But generally speaking, do individual hospitals purchase through one of these three systems, usually?

Hon. Mr. Miller: I am told that the HPI is a private organization. It does group purchasing for the member hospitals, I would assume.

Mr. Roy: In Toronto?

Hon. Mr. Miller: In Toronto.

Mr. Roy: All hospitals in Toronto?

Hon. Mr. Miller: I don't know whether all of them are involved—about 38 hospitals.

Mr. Roy: That is what I figure I have here.

Hon. Mr. Miller: Thirty-eight hospitals, yes. The Ministry of Health, I assume, purchases its own requirements for the psychi-

atric hospitals, as you commented. The HPP, I am told, is the Ontario Hospital Association's group purchasing programme for hospitals which may wish to utilize that programme, based on the assumption that they can buy in bulk quantities for less than for individual purchases.

Mr. Roy: Okay. I understand that these groups here purchase under what is called the tender system. In other words, for instance, "We need ampicillin; so many pounds or so many dollars worth," and they send out public tenders. I shouldn't say public tenders, but they do it by way of a tender system. Is that so?

Hon. Mr. Miller: I am told that HPI does.

Mr. Roy: What about HPP?

Hon. Mr. Miller: I honestly don't know.

Mr. Roy: You don't know. But I'm getting to a point which I consider to be of importance.

Hon. Mr. Miller: First of all, they're not ministry-run plans. I think we have to realize that hospitals, just like hardware stores, have used—maybe that's a poor analogy.

Mr. Roy: Not to some people.

Hon. Mr. Miller: Purchasing of goods is done collectively by some hospitals because it pays them to do it.

Mr. Roy: First of all, would not the minister, when we consider the amount of money that's spent on drugs in this province—I can't imagine how much it would be, but it would be astronomical, I would imagine—not be better off to have some central purchasing for drugs emanating from his ministry so that then the hosiptals could get it from the ministry?

Hon. Mr. Miller: I think there is always the temptation to think that "big is good" and vice versa. I'll be honest. I've gone around to some of our psychiatric hospitals that would have preferred to have had the right to purchase individually. I don't know that the administrative costs that we would have on a group purchasing plan which would involve distribution would really not equal or exceed the savings to be realized by letting the marketplace determine where and how these products are delivered.

Mr. Roy: But you see, my concern is this. For instance, HPP is hospital association purchasing plan. I understand there's a large number of hospitals getting drugs through this system. I understand that they ask for tenders. Once they get the tenders they are not opened in public. Nobody knows how much the tender is—who is high and who is low and this type of thing. I wonder why it's not public.

After all, these hospitals are run basically from money that they're going to get from your ministry, and in the end result it's the taxpayers who pay for these drugs. You may well say, "It's not run under my ministry, and therefore I have little control," but you're supplying the money. We're talking health costs. We know you're concerned about health costs. In fact, there was an editorial the other day which said: "Who is listening to Frank Miller?" I am. I wish you would tell them that. You should tell the Toronto Star that.

Mr. Foulds: The Canadian Press is.

Mr. Roy: They weren't listening—not the Canadian Press.

Mr. Foulds I don't blame them.

Mr. Roy: No. Mr. Chairman, through you to the minister, do you not feel that you should set some guidelines? The first question to you is: Is that so, that they do it by way of tender but the tenders are not open publicly or in front of the parties to assure that the lowest tender, for instance, is accepted?

Hon. Mr. Miller: I don't think I'm going to walk into anything without giving it some thought, because it's so simple to say that we should have our presence at every tender opening.

Mr. Roy: Not you, just the people involved in the tendering.

Hon. Mr. Miller: Yes, I'm quite sure that steps are being taken to make sure there isn't any hanky-panky, if that is what you're implying.

Mr. Roy: I'd like to bring to the minister's attention a problem with HPP which has been brought to my attention. They were asking HPP for something like $500,000 worth of ampicillin—and I don't even know what that is. Anyway, apparently this was a contract. The tenders for this were opened sometime in May and there were three bidders involved: Nova, Ayerst and Bristol-Myers.

Of course, they put in tenders for the drug in different forms; they had capsules, injection and liquid. The cheapest in capsule was Nova and the second cheapest was

Ayerst and the highest on the capsule was Bristol-Myers. On injection, Nova did not bid because they did not have the drug in that form. Ayerst had the highest, and Bristol at that point had the cheapest for injection. You sort of need a graph to follow this, but on the liquid Nova was the cheapest, Ayerst was the highest and Bristol didn't bid on the liquid. The drugs of all three companies apparently are approved by Parcost and there is no difference in the quality of drugs.

Apparently the hospitals were told they had a choice to buy from either Nova or Ayerst; Bristol was not in the picture, yet it had the cheapest in, for instance, injection, which Nova didn't have, whereas Nova had the cheapest, let's say, for capsules and liquid. But they were given a choice between only Nova and Ayerst, and of course Ayerst are the highest, you see. So we have a situation apparently, I'm told, where the hospitals are buying more from Ayerst because it is a better-known company.

Of course, you are spending more money. We don't know how many thousands of dollars are being spent because the hospitals have a choice and are not directed toward the lowest bidder. That's what I mean about tenders being opened not in the presence of the parties or not publicly. It leaves itself open to hanky-panky. No matter whether you are talking doctors, lawyers, judges or anything else, if there are not guidelines and if we don't do this publicly then it's an invitation for hanky-panky. I'd like to get the minister's comments on that.

Hon. Mr. Miller: I am not going to make any comments because I am going to try to sort out what you told me. When I see it on paper, I'll take it up with the Ontario Hospital Association at its monthly meeting if I'm satisfied there is a problem—and I think probably there is.

Mr. Roy: I'd appreciate that. I've given you some information here which doesn't give you very much time to get an answer. Can I expect, for instance, an answer or some comment at 8 o'clock on this?

Hon. Mr. Miller: No, I don't think you can. It is a voluntary organization I'm talking about. I understand HPP hasn't been very active, if the information I've got is correct. I would like to have the opportunity to have this researched by the sponsors of HPP, and I will ask them for information to be given to me. On a monthly basis I meet with the OHA. I'm not sure when the next one is—in a couple of weeks—and I'll get that information. I'll make it available to you.

Mr. Roy: What about the section in your department which purchases drugs for provincial or psychiatric hospitals in this province? Do they do it by way of tender? If they do, do they open their tenders in front of the parties, and are the bids or the tenders public?

Hon. Mr. Miller: Yes. Yes.

Mr. Roy: And yes. Okay.

Mrs. Campbell: Yes, yes, and no answer.

Mr. Roy: I wanted to know whether they do it by tenders. Yes? Right? Are the tenders opened in front of the parties? Yes? Are we saying yes?

Hon. Mr. Miller: I am nodding up and down.

Mr. Roy: And the public has the right to know?

Hon. Mr. Miller: I gave some negative answers; hold on.

Mrs. Campbell: Apparently the public hasn't any right to know.

Mr. B. Newman (Windsor-Walkerville): Are they public tenders or invitations to tender? There is a difference between the two. It could be invitation only.

Mr. Chairman: May I bring to the hon. members' attention that it is now 6 of the clock?

Mr. Roy: Can I adjourn the debate, Mr. Chairman?

It being 6 o'clock, p.m., the House took recess.

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Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Ninth Legislature

Tuesday, November 5, 1974

Evening Session

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

THE QUEEN'S PRINTER
PARLIAMENT BUILDINGS, TORONTO
1974

10

Price per session, $10.00. Address, Clerk of the House, Parliament Bldgs., Toronto

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Daily index of proceedings appears at the back of this issue. Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff (Phone: 965-2159).

LEGISLATIVE ASSEMBLY OF ONTARIO

The House resumed at 8 o'clock, p.m.

Mr. Chairman: Before we start the estimates of the Ministry of Health, the hon. member from Scarborough East has some guests to introduce.

Hon. M. Birch (Provincial Secretary for Social Development): Mr. Chairman, it is my pleasure to introduce the cubs and scouts from the Highland Creek band and Mr. Charters is in charge. I would ask the members of the House to join with me in giving them a very warm welcome.

ESTIMATES, MINISTRY OF HEALTH
(continued)

On vote 2803:

Mr. Chairman: Continuing with the estimates of the Ministry of Health, vote 2803, item 2, the hon. member for Ottawa East had the floor at 6 o'clock.

Mr. A. J. Roy (Ottawa East): Thank you, Mr. Chairman. I think when the debate was adjourned, Mr. Chairman, we were talking about certain programmes instituted by the hospitals.

The minister said he would investigate one of the programmes, HPP. I had asked him at that point whether or not the Ministry of Health, which was purchasing drugs for provincial psychiatric hospitals, was doing it on public tenders. I think he had answered a number of questions for me, but one of the questions I wanted to ask him was: Are these tenders by invitation only, or are they public tenders?

Hon. F. S. Miller (Minister of Health): Perhaps I could back up and clarify the point that I implied was incorrect before the supper hour, and start from there. I understand the difference between the pieces of information we were getting was in the definition of the words "quotation" versus "tender." In our terms, the word "tender" implies a public opening and the word "quotation" implies a request for prices from competitive bidders and not necessarily a public opening. Is that a fair enough definition of the difference in the two terms?

Mr. Roy: Yes.

Hon. Mr. Miller: We do our purchasing of these items on a quotation basis where we request the prices from suppliers. I would think at times—in fact, I know at times—suppliers request to have quotations asked of them.

When a specific item is tendered on a quotation—I can read the whole rule into the record, if you wish, or I can simply synopsize it for you. Which do you wish?

Mr. Roy: Just give me your synopsis. I have faith in you that your paraphrasing will be adequate.

Mrs. M. Campbell (St. George): No, we'd rather have it read out.

Mr. Roy: My colleague says she's not so sure. How long is that rule?

Mr. Chairman: Order please. Let the hon. minister answer the question.

Mr. Roy: Is it a short paragraph?

Hon. Mr. Miller: No, it is a full page. The question about who got the bid and what the price was, is always public information—if that is what you wish to know.

Mr. Roy: Is it?

Hon. Mr. Miller: Yes, it is.

Mr. Roy: Are the parties who submit quotations advised who got the contract and at what price?

Hon. Mr. Miller: Well, on request. I think there is a difference. In other words, we don't automatically write people and say, "You lost the bid, but so and so got it at such and such a price." But if you requested the name of the low bidder, the name of the bidder and the price would be given to you.

Mr. Roy: This would be given to the competitors? I'm sure that when you are dealing with purchases of drugs of that amount, you are talking about a lot of money, I would

think, for various items purchased. I would like to ask the minister why he would not publish that sort of information, rather than just leave it up to invitation, so that the public would be aware that certain drugs were purchased from a particular company because their bid was the lowest of many bids, just as you do for other tenders.

Hon. Mr. Miller: Well, I think the answer is this: Those who want to know find out very quickly. When I was in the business of submitting quotations, if I lost—and I can go back to the days when I did this with municipalities—I made a point of asking who won and what their price was. That usually tells the individual all he or she wishes to know. I think that's the critical thing. There is no need to print it in a local newspaper or to make the effort to circulate it to people automatically. I think the information gets around quickly.

Mr. Roy: I appreciate that you wouldn't want to put it in local newspapers, but you might have it in some health report or something from the Ministry of Health.

I have been advised, for instance, in relation to the other two programmes to which I have referred, HPI and HPP, which I think you said you don't answer for, that the information in relation to those two is not public; you cannot find out from them who submitted the lowest quotation and the prices of the others. Are you saying that you cannot answer for those two?

Hon. Mr. Miller: Correct.

Mr. Roy: Well, are you going to undertake perhaps to look at their practices? After all, they are spending public funds coming out of your ministry.

Hon. Mr. Miller: Well, first of all, I have a great deal of confidence in them, in spite of the fact they may not be public. The fact remains, though, I did give an undertaking to you before the dinner hour to discuss at least one of those two sauces with one of the groups—they are sauces, aren't they, HP and HPP?

Mr. Roy: I never eat steak, so I wouldn't know. I can't afford it.

Mr. Chairman, with that undertaking I will look forward to receiving the results of the investigation by the minister. I would also suggest strongly to the minister that if in fact it is a practice of the Ministry of Health to accept quotations and to advise the other individuals involved in the quotation on request as to who got a particular contract, that practice should be the practice of the other two operations for the hospitals.

We have seen enough since 1971 to show us that publicizing tenders and quotations is helpful in advising the public what is going on and in keeping everyone on a straight line.

Mr. Chairman, the final matter I would like to raise—and I think my colleagues from Ottawa West (Mr. Morrow) and Carleton (Mr. Handleman) are interested in this situation, which I raised in my opening remarks—is the question of chronic-care beds in Ottawa. I have already pointed out the difficulties to the minister, but I want to read some comments from an article in the Toronto Star of Oct. 24. I hope the gentleman's comments in this article are not accurate, because it is a frightening situation when you consider this in terms of Ottawa. The article states:

> Elderly persons are suffering, some may even have died, because Ontario refuses to provide adequate chronic health care facilities, says Al Loney, chairman of the Regional Hospital Planning Council continuing care committee.
>
> A list of 380 elderly persons waiting for hospital care at the beginning of the summer was cut to 320 in August because so many people had died, Loney said in an interview here.
>
> "They all may not have died because they received no treatment, but even if some did not have much longer to live, they could have been a lot more comfortable if they had had proper treatment."
>
> Loney accused the province of stalling on the request for more chronic health-care facilities in the Ottawa area, although provision of such specialized facilities would be more economical.

I think it's frightening to think that the only way we can reduce our list of chronic-care patients who are waiting for a bed in Ottawa is to let them die off. But his statement about the problems with chronic-care facilities in Ottawa has been reiterated by most of the hospitals there, and I think my two colleagues from Ottawa, who were here prior to the break, would support me on this. I am looking at another article from one of the Ottawa papers which states—and this is agreed with by the Ottawa Civic Hospital, Riverside and the Grace Hospital down there—as follows: "Ottawa hospitals are overcrowded because they must give beds to older chronic-care patients who have nowhere else to go. Civic Hospital has about 80 such patients." I am

told, just reading again the same article, that Riverside has 30 such beds that they can't use, again because of the chronic-care situation. The other hospital involved here, the Grace Hospital, has some 20 beds as well that they are using in that fashion.

These hospital officials in the Ottawa area, Mr. Chairman, state that they can't understand how the province has established Ottawa's needs. What is your criterion, for instance in Ottawa? Apparently you say there are too many chronic-care beds in Ottawa.

He said: "The reluctance of the province is due to the fact that according to the provincial guidelines Ottawa has too many chronic-care beds," according to the statement that they make. And he said: "Even if the figures prove accurate as the province-wide guideline, maybe Ottawa has a different kind of a problem than other cities they are comparing to."

I would like to have the minister's comments on that, because this is not a new problem. We have raised this before with your predecessor (Mr. Potter), and it seems to be a continual thorn in the delivery of health care in the Ottawa system—the lack of chronic-care beds.

Mr. D. M. Deacon (York Centre): Not just Ottawa.

Hon. Mr. Miller: Mr. Chairman, the colleagues on my side of the House from your city have also been pressing me for this problem and we have discussed it with the health-planning council. First of all we recognize, as I mentioned earlier, that in the question of guidelines, the one-bed-per-1,000 on an age-weighted basis that is allowed for chronic care doesn't work for every area of the province. I don't suppose any guideline does. It may well work across the province on average, but it is subject to local variation. I can take you to other areas of the province where, in fact, that one-bed-per-1,000 provides a great surplus. We just don't need the number of beds that that indicates.

So, first of all, the people who say we have a surplus of chronic beds in the Ottawa area are talking statistically. I am quite prepared to say that we agree that the statistics and the facts don't match, that there is a shortage of chronic-care beds in the area and that, in fact, we have taken steps to have this issue studied and hopefully resolved.

I also mentioned earlier in reply to somebody else's question that chronic care, unfortunately, has not been the glamorous part of health care, and we have had some difficulty in getting people to enter that field. I think the member for Thunder Bay (Mr. Stokes) was commenting about the lack of staff in a hospital for chronic care. We find, for example, in some areas—not your area, but other areas of the province where we have a surplus of active treatment beds or even unopened active treatment beds—that we have problems convincing hospital boards that those beds should be used for chronic care where we believe there is a need.

Mr. Roy: This is not a new problem for Ottawa. We have been talking about this situation at least for a couple of years. Surely you must have some statistics with you to show, for instance in the Ottawa area, using a population per 1,000 or whatever you gauge it with, that there is, let's say, a higher percentage of people of a certain age in that area than there is, for instance, in Hamilton—because they like to compare Ottawa and Hamilton population-wise. I am just wondering whether you don't in fact have statistics of that nature, in fact, to support what these people are saying. Statistically it appears to be okay but in Ottawa there seems to be a problem. Does the minister have anything on that along those lines?

Hon. Mr. Miller: I have used the words "age-weighted basis" from time to time to say that we try to allow for the people over 65, knowing that they are a greater consumer group for this particular kind of care. But it would appear that even that factor hasn't made the difference. I have just been told that, in fact, our area planning co-ordinator is discussing this issue with your district health planning council tonight.

Mr. Roy: Did they suspect that we were going to have a discourse or should we say sort of an intercourse?

Mr. J. F. Foulds (Port Arthur): Dialogue.

Mr. I. Deans (Wentworth): That lends credence to the body politic.

Hon. Mr. Miller: I think we will switch our languages at this point. I will switch languages. No, as a matter of fact, I am told the appointment was made back in July.

Mr. Roy: I see my colleague from Ottawa West wants to get in on this issue. The last point I want to raise, Mr. Chairman, is in relation to the Ottawa Civic Hospital. Apparently they have a nurses' residence there which is empty. They say that the former nurses' residence vacated by the closure of the hospital nursing school has

cost the hospital $22,000 so far this year They charge that the building was foisted upon the hospital by the provincial health ministry when the nursing school was transferred to Algonquin College. The hospital is now renting space in a residence to university and Algonquin nursing students who are not connected with the hospital. They seem to suggest that the long-term plans should be used, in fact, for chronic-care facilities. Has there been any discussion on using the former nurses' residence there?

Hon. Mr. Miller: I am unable to say, Mr. Chairman. I know that the conversion of any space to chronic care is neither as inexpensive nor as easy as one would predict. Look to Thunder Bay and see the number of dollars that were spent on an apparently easy conversion of the hospital and look to Mount Sinai just below us here where the cost of conversion will be considerable.

Mr. Roy: I would just like to point out to the minister that to my knowledge Mount Sinai, the old hospital, has been vacant for over a year. We are calling for chronic facilities and we have a building which is handy, and which is central, and there has been nobody in it for over a year. It's inexcusable that modifications have not been made to satisfy the need in the Toronto area.

Mr. R. Haggerty (Welland South): Very little modification is required.

Mr. Chairman: I wonder, before we continue the debate, if I could recognize the hon. member for Hamilton East who would like to introduce some guests.

Mr. R. Gisborn (Hamilton East): Thank you, Mr. Chairman, for the interruption. I would like to have the House join with me in welcoming a group of 20 from the Hamilton Steelworkers Area Council who are here tonight to observe the operations of the House in committee dealing with the estimates.

Mr. Chairman: I wonder also if the hon. member for St. George might defer to the member for Ottawa West in order that he may comment in a similar nature to the hon. member for Ottawa East.

Mrs. Campbell: Yes, Mr. Chairman.

Mr. D. H. Morrow (Ottawa West): Yes, thank you very much, Mr. Chairman. I just wanted to emphasize what the hon. member for Ottawa East has said about this particular shortage of chronic-care beds in the Ottawa area as well perhaps as nursing-home beds.

I have a letter that I received here a week or so ago. With your permission I would just like to read parts of it. It's from Dr. Wallace Troup, who is chairman of the Academy of Medicine in Ottawa. He points out to me quite emphatically, that this is getting to be a crisis situation in the city. I didn't need to be told that, because for the last six or seven years, I have been urging this government to improve the situation in Ottawa with regard to chronic-care beds.

I might say that I spent five years on the Ontario Hospital Services Commission and I had ample opportunity there to bring it to the attention of the commission and the government, and I did so from time to time.

Our deputy Minister of Health, I am sure, was tired of listening to me at the board table mentioning this fact. I was always met with the statistics. They always trotted out these statistics that according to the ratio of population—4.5 beds I think it was per 1,000—we should have adequate beds in Ottawa and we even should have a surplus. Indeed this particular ratio did give a surplus of beds in many other parts of the province. They had lots of beds with this ratio, but it just never worked for Ottawa.

This situation has been growing and growing in the city of Ottawa since 1967, for the last seven years. It has now reached, I think, really crisis proportions. I want to emphasize to the minister that this is a thing that doesn't need more studies.

We don't want any more studies of the city of Ottawa to tell us whether we need more chronic-care beds or not. We need them and we need them now, urgently.

Dr. Troup mentions in his letter here that they have just made a recent survey at the Ottawa Civic. Of course, these statistics I am mentioning here are factual, and reflect the growing concern locally about the shortage of these beds.

There is increasing agitation among doctors in Ottawa about the apparent discrepancy and the availability of these beds compared, of course, with other parts of the province. They could empty at least 80 active-treatment beds in the Civic if they could find a place to put the patients; they could empty another 80 at the Ottawa General; they could empty 30 or 40 at Riverside; they could empty at least 20 or 25 at the Grace Hospital, and so the story goes.

So, it is my opinion that we are desperately in need of anywhere from 200 to 250 beds. I urged upon members of this ministry some time ago that I think the solution should be immediate and that they should even buy some building that has 250 beds—one of the highrises; there are some available down there—250 or 300 beds and relieve this situation.

I had a particular case with a neighbour of mine who, for the last 18 months, I've been trying to get into a chronic-care bed in one of the two chronic hospitals in Ottawa—the Perley and the St. Vincent. No later than August of this year, when talking to the administrator of the Ottawa Perley, I learned there were 160 on the waiting list. After 18 months she still ranked 40th. There isn't a hope of getting her a bed this winter. At St. Vincent Hospital the story was much the same.

We don't need any more studies about the inadequacies of chronic-care beds in the Ottawa area. What we need is some action, and we need immediate action.

Mr. J. E. Stokes (Thunder Bay): That's pretty strong stuff.

Mr. Morrow: I hope that this government will do something about it in the not too distant future, because it's reaching crisis proportions and the people are quite disturbed about it. That's all I wanted to say on the subject. I am going to give the minister some further statistics in this regard, to amplify what I've said here tonight, in the hope that we can get some action on this in the very near future.

Mr. Chairman: The hon. minister.

Hon. Mr. Miller: I certainly sympathize with the problems expressed by both Ottawa East and Ottawa West.

Mr. J. R. Breithaupt (Kitchener): What about Ottawa Centre?

Hon. Mr. Miller: I seldom sympathize with Ottawa Centre.

Mr. Foulds: That statement will come back to haunt you.

Mr. Deans: That's the trouble, you discriminate.

Hon. Mr. Miller: True.

Mr. Gisborn: Tell us what you're going to do about it now.

Hon. Mr. Miller: I can only say that we have some thoughts for immediate action, and I hope that these can be translated into the action that both of you requested.

Mr. Chairman: The hon. member for St. George.

Mr. Haggerty: I want to get in on the same thing.

Mrs. Campbell: As Ottawa?

Mr. Haggerty: No, similar to that. It is the same problem but it happens to be in the Niagara Peninsula. I think the minister is well aware of my correspondence to him in the past.

Mrs. Campbell: I will let my colleague in, on the understanding I get on next.

Mr. Chairman: I'm sorry. I think that we have to take them in the order—well, go ahead.

Mrs. Campbell: You see, I've waited for the answers to my questions since last week.

Mr. Chairman: The Chair would rule that we would have to take them in the order they've indicated they want to speak. I will say that the hon. member for St. George should take her turn now, and we'll get to the hon. member for Welland shortly.

Mrs. Campbell: Mr. Chairman, I would like to make a couple of opening remarks because I am a little tired of the way in which we've been proceeding in these estimates. I would like to point out to the ministers involved that the opposition has not only a right but an obligation to review the estimates, to ask questions, to make comments, and it is entitled to a response. This we have not seen during this session to the extent to which, it seems to me, we are entitled.

I have to stand here now and, I presume, repeat most of what I said last week, because the minister has in no way replied to anything other than that which I've said today. I would like to point out to him that I discussed at some length the question of hospital admissions policy and his attitude to it. He hasn't answered it, except obliquely today to speak on more than one occasion about the autonomy of hospital boards.

If he will recollect, I spoke about this—yes?

Hon. Mr. Miller: Mr. Chairman, if I may interrupt for a second, when the member brought up that point the other day—and

I still have note of the questions—she talked about hospital admissions, hospital efficiency—

Mrs. Campbell: EMO services and their budgets and licensing.

Hon. Mr. Miller: I had the question, but it was after you ran out of time; and you did run out of time that night.

I apologize for having missed those four items, I have now found them. We were confused because I find in talking to my staff you didn't state to me whether you were talking about admissions to a hospital of a patient or some other form of admission policy.

Mrs. Campbell: First of all we discussed, if you will recall, the question of the policies which were exposed in the Toronto papers with reference to one hospital in my riding. Then I went on to ask about the admission policy, and it is admissions of patients to public hospitals in Toronto and to what extent you felt you had some responsibility in investigating these policies as a result of the public expenditure of funds on them.

I am sorry there was no answer to that, I was still on my feet. If you will recall when we started this we were talking at random of the total area; we then curtailed it to this and I asked those questions and made the comments and we adjourned without any comment from the minister. I took it up today and he answered only what I asked him today.

Now if you want me to repeat, or if you have the answers I would like to have them.

Hon. Mr. Miller: I am still lost; although I answered a question whether it was yours or somebody else's I am not sure, on the question of the two levels of hospital care. Is that what you are talking about now?

Mrs. Campbell: You answered that question, and it was following that, Mr. Chairman, that I asked about admission policies in hospitals and their variations, because there are variations, and I wanted to know what your feeling was as to the autonomy of hospital boards. I will be happy to look up Hansard and give it to you if you wish, otherwise I will ask the question again.

Hon. Mr. Miller: If you are implying there is a different standard of admission depending upon the well-being, or at least the financial well-being of a patient, then I don't know of any problem in Toronto. Is that what you are referring to?

Mrs. Campbell: Mr. Chairman, if I may go back. We first of all touched on the matter of the Wellesley Hospital and the matter of their treatment of patients; that is one aspect. I understood that you intended to investigate that matter and that you would reply in this House at a later date.

Hon. Mr. Miller: Yes.

Mrs. Campbell: That was one aspect of it. The other matter was that it has been stated, as I pointed out, that there are different admission policies in the different hospitals. May I give you one particular incident, which I did not do before because I thought you understood what I was driving at. This concerns a patient of the Toronto General Hospital. The Toronto General Hospital had the patient's total records, but when he became critically ill they were unable to take him. He then sought to enter the Toronto Western Hospital and arrangements were made for that purpose. Subsequently, however, when the ambulance arrived at the door he was not taken in. He was not considered to be critically ill; however for some reason or another, not being critically ill, he died. I would have thought that perhaps would indicate he was critically ill.

The question is: Do we have some form of regional agreement between hospitals as to whom they're going to take in on an admission policy? If there is that kind of policy, shouldn't we know about it? Shouldn't you be concerned about it? That is the type of admission policy that I feel we should hear about from you if you have any knowledge of it. If you don't, would you investigate to see what these different admission policies are?

Hon. Mr. Miller: Mr. Chairman, I almost need the specific case, because to the best of my knowledge there is no such thing as a differential admission policy. Admission to a hospital is still done by a doctor, and generally on the basis of his assessment of the case.

It is very difficult to prejudge a case like this where admission was refused. It may well have been that those people who happened to be in contact with him at that point in time either misjudged or underassessed the seriousness of his illness. But if you can give me a name on a private basis I can look into it thoroughly, and I would be glad to do so.

Mrs. Campbell: May I then go back to the series of questions I addressed to the minister on the matter of the EMO services,

which is partly ambulance service, in the metropolitan area. I drew to his attention the fact that those ambulance services which were beyond the periphery of Metropolitan Toronto were not permitted to enter Metropolitan Toronto in areas underserviced by Metro, and I wondered if he had been able to correct that situation through his own ministry; because it seemed to me again it was the kind of indication of the very autocratic measures used by the department at Metro.

I addressed questions to the minister as to whether or not there had been an investigation of the budget at Metro and if he could answer as to whether or not there were EMO funds going into that service over and above the ambulance service.

If I may again elaborate on that, this particular department at Metro is one which is costing taxpayers a good deal of money, both municipal and provincial—and certainly at one time, federal. It was totally impossible, and still remains so, for anyone at the municipal level to really understand that budget because of the complexity of the levels of government contributing to it.

In view of the fact that you are funding as heavily as you are in the ambulance service portion of it, I wanted to know whether there had been an investigation by your ministry of the total budget to assure the people of this province and of Metropolitan Toronto that, in fact, they were being well served at the cost which was invested in that service. Dr. Martin has long been aware of the concerns of the Metro government people about this inability to actually assess the budget. I referred, if the minister will remember, to the fact that in a newspaper article which I had before me at the time, the commissioner—am I now yielding again, or may I just, for once, finish?

Hon. Mr. Miller: Keep talking. I can listen to both you and my hon. friend here.

Mrs. Campbell: You haven't been able to in the past.

Mr. Chairman: The hon. member for St. George will continue.

Mrs. Campbell: In reading from the article I read the fact that the commissioner was asking for an addditional $7 million, and I cautioned the minister in terms to indicate I was hoping there would be no positive answer to that request until there had been an undertaking at least that the total budget would be reviewed.

I don't know why it's been so impossible to get that kind of review and to assure people that the funding actually is going for the ambulance service and not for some of the other services which this commissioner and this department seem able to afford out of some nebulous budget that no one can track down. Now is it possible to have an answer to those questions?

Hon. Mr. Miller: Mr. Chairman, one of the reasons for having the Metro form of government is to allow them certain freedom of action. There has been at times a not too happy and at other times a fairly close relationship between ourselves and some of the operations there. I think at the present time I could say they are very happy, very close. It is something like the two towns that are close together, they start competing for services and often neither side is at fault but things don't go with the degree of cooperation you'd like.

However, in the last six or eight months I have found outstanding willingness from both parties to look at the problem in context and try and resolve it. It was on that basis that we agreed to turn over the control of all of the ambulances in the Metro area to the DES.

I understand that, first of all, we only funded the ambulance portion of the EMO budget, and that in fact we didn't necessarily fund 100 cents on the dollar of the ambulance section of the EMO budget, but simply our assessment of what we should pay. There has been an agreement as to who is the more efficient. I'm sure they feel they are more efficient than our services are, and in turn our services have often felt that their service could be improved. I've heard both sides of the arguments from both parties and I'm still not sure which side is right. It was for that reason that we asked for the Stevenson and Kellogg study, which I believe is either just completed or just on the verge of completion. It was a short-term implementation study, so that it wasn't to say should we do something, but how do we do it and how fast.

We also made, as you know, some immediate short-range changes in July to reduce the time of response to calls within the Metro area. These involved tie lines to these peripheral services around Toronto, so that in fact they could be used. I believe we even had some of their vehicles available for standby duty or night-time duty, I'm not sure which it was. But we started pulling in the ambulances from the non-Metro areas that were very adjacent to Metro. All these

things were done in an attempt to improve response time and reduce overall costs of service in the greater Metro area and those immediately adjacent to it.

I really think we have acted responsibly in these last few months and have made a great deal of progress in attempting to resolve what has been heretofore a somewhat divided issue.

Mrs. Campbell: They're never satisfied.

Mr. Chairman: The hon. member for Port Arthur.

Mr. Foulds: Thank you very much, Mr. Chairman. I just want to make one or two very brief comments, because of the time stringencies on us, about the situation raised by the member for Thunder Bay riding with regard to the active-treatment bed situation in the city of Thunder Bay. I think it is important to underline that the problem in Thunder Bay centres around the active-treatment bed question simply because the ministry has not taken the initiatives in the past to supply those alternative services that we all talk about. I was very glad the minister made the commitment this afternoon to my colleague from Thunder Bay that they would not enforce that order to cut back the 86 active-treatment beds until the alternative services were in place.

What I want to say to the minister, without rhetoric, is that those services must be in place. It must not just be the plans to put those services for chronic beds for nursing homes in place. They must be in place first.

Some of the correspondence that I have had from the minister, and certainly some of the correspondence put out by Dr. Baldwin, plays a kind of game with figures. You are counting, for example, as 100 beds in service, those at the Walter Hogarth Memorial Hospital—and they are not in service, for whatever reason. There are only 12 of them in service at the present time. The reason given is that staff is unavailable.

That gets back to a compounding problem in the health care field in Thunder Bay. There aren't enough places for the applicants in the nursing programmes, either at Confederation College or at the university. That's a problem that your ministry has to sort out with the Ministry of Colleges and Universities. There are three times the qualified applicants for nursing as there are training facilities. They just can't get the training in Thunder Bay.

Because of the time stringency, I won't read into the record the half dozen or so personal cases of people who have suffered because of the overcrowding in the hospitals —as in the case my colleague mentioned this afternoon.

I think we have to tell the minister that it is not merely a case of cutting back on hospital beds, but the three hospitals in Thunder Bay find themselves in a situation where they do have a large number of chronic patients who should be in another facility.

Nevertheless, they are occupying a bed and it's necessary to have those people somewhere. In fact, if the hospitals are not using corridors, they are at least using lounge areas and treatment rooms for patients. Certainly, that is the case with McKellar Hospital.

I quite agree, Mr. Minister, with the very detailed letter you sent me on Sept. 23 that alternatives be developed for the expensive treatment beds. But I'm putting a plea to you that you do get those services.

For example, there isn't, to my knowledge, a nursing home in Thunder Bay. If the private sector—which you are so fond of—hasn't been able to get the funding, hasn't been able to put one in place, that seems to be an initiative that your ministry must take.

I would like also, if I might, to voice a caution to the minister. There is a danger in referring a large number of problems to the new health planning council. It has just been established for a month. There is a danger that you can be tempted to use it as a buffer, just as the Minister of Education (Mr. Wells) sometimes uses the so-called autonomy of the local school boards as a buffer in the educational system. I would caution you very much against that danger.

Another caution I want to direct to you—and I hope I am not misquoting him—is an attitude expressed by Dr. Baldwin in an interview in the Thunder Bay Chronicle-Journal, carried in the paper of Oct. 9. The headline of the story is: "The Health Council Will Study Hospital Bed Picture."

Dr. Baldwin said: "The council will be asked to come up with a plan whereby the active treatment beds situation can be improved." Well and good. "We want their opinion on how the provincial guidelines can me met." Well and good.

"Asked if there was going to be a rigid application of the bed quota on Thunder Bay, Dr. Baldwin indicated it would not be rigidly applied, but, 'we want common sense to prevail'."

So far so good. The thing that worries me is the following sentence: "The effectiveness and efficiency of hospitals is of prime importance." I would have thought the life and death of patients is of prime importance, that that is the key to our hospital care in this province.

Effectiveness in bed ratios is all very well; and you mentioned earlier that statistics are one of the key plus points of your ambulance service, the fact they can tell you where they have gone. All that is important, but it is not of prime importance and I would plead with the minister that efficiency in cold terms not be the sole objective.

To summarize the problem just briefly, as I say, it is centered around the active-treatment beds in Thunder Bay because of a lack of other services. The city council was informed recently, that the three city hospitals themselves estimated there were about 140 beds in the active-treatment hospitals occupied by chronic patients. The announcement that the Walter Hogarth Hospital was coming into being didn't solve the problem, a problem that very definitely needs to be solved. If we had the chronic-care facility in place, if we had the nursing-home-care facility in place, there would not be a controversy over the active treatment beds in Thunder Bay; that problem would solve itself, so to speak, and you could take care of it.

I would like at some future time, privately, to pursue with the minister, in more detail if I might, the reason for the rejection of the nursing home application, which I understand was approved in principle about a year ago. Whether it is financing, as the minister says; according to the mayor of Thunder Bay the province refused to grant approval to the Cumberland St. site. Now if that is erroneous I certainly would like to see if that can be cleared up; this is for the nursing home.

Hon. Mr. Miller: I know of no refusal of a given site, but I will be glad to look into that in case it's true. I understood the problem was one of arranging financing, on the part of the owner rather than as a result of our refusal.

Mr. Foulds: Well perhaps we can get into that afterwards, Mr. Minister, and not take up the specific time of the estimates. I would like to pursue that with you privately later if I might.

The other problem is of course the problem of long-term care patients who require two to three hours of care daily. At the present time there doesn't seem to be any facility for them. What I would caution the minister, and the reason I want to underline the remarks of my colleague from Thunder Bay, is that Dr. Baldwin in his letter of Nov. 1, which my collegue read, indicated that the ministry had requested the hospital planning council to cut down on the active-treatment beds by 25. This was in late 1973 and early 1974. That wasn't achieved; but instead of sort of enforcing that they simply cut back on the moneys.

Now I don't want that to happen with regard to this latter 86, because that in effect is dictating an arbitrary decision, without those other services in place as I indicated.

I fully recognize that some of the fault may be the lack of initiative on the part of the social services committee of city council in Thunder Bay. If that's the case I think that should be clearly spelled out for the people of Thunder Bay and northwestern Ontario, so that wherever the lack of initiative may lie, the fact is and remains that the care of patients in Thunder Bay is in danger of deteriorating simply because the supportive services are not in place, the alternative services are not in place and an unduly heavy burden is being placed on the active treatment beds. But surely, Mr. Minister, you can understand why the people in the area react so strongly. We are no more reactionary than people in any other part of the province. We would welcome the progressive steps in alternative care that you recommend, but they must be in place ahead of time. Thank you very much, Mr. Chairman.

Hon. Mr. Miller: I just want to comment in reference to one statistic. You mentioned there were no nursing home beds that you knew of in Thunder Bay. Is that correct?

Mr Foulds: Yes.

Hon. Mr. Miller: According to my records —and I will be glad to have details supplied to you—we have 268 nursing home beds in nursing homes, 264 nursing home beds in homes for the aged, and, of course, the approval of 150, which is up in the air. However, I would be glad to give details as to where those 268 are said to be located, within Thunder Bay.

Mr. Foulds: Is there a confusion between chronic and nursing home?

Hon. Mr. Miller: I show no chronics in the nursing home beds in these statistics, but again, as I say, it is open for—

Mr. Stokes: What do you classify Westmount?

Hon. Mr. Miller: I can't speak to the individual one because I just don't know, but I will make the list available to you.

Mr. Foulds: That would be very useful.

Mr. Stokes: Westmount is chronic care.

Mr. Chairman: The chair would like to draw to the attention of the hon. members that the House leaders and the ministry have agreed that at approximately 9 o'clock we will move to item 4. I have one or two other members who would like to speak on item 2. The hon. member for Prince Edward-Lennox.

Mr. J. A. Taylor (Prince Edward-Lennox): Mr. Minister, I would like to commend you for the tremendous job I know that you are doing in your ministry. It must be a horrendous task, and I appreciate that no matter how you try and no matter how you succeed you will always be criticized. As a matter of fact—

Interjections by hon. members.

Mr. F. Young (Yorkview): It keeps him humble.

Mr. Taylor: —it cuts me to the quick to be critical of your ministry, but I must confess that I fall in that category this evening.

Interjections by hon. members.

Mr. H. C. Parrott (Oxford): Now comes the bad news.

Mr. Taylor: My criticisms are minor, however.

An hon. member: The good news is over.

Mr. Taylor: In fact, they relate to what I think is the paradoxical situation in connection with the provision of nursing home beds. For example, the thrust seems to be to get out of the hospitals persons who should be in nursing homes. With that pressure, of course, we have more pressure on the nursing homes.

On the other end of the scale we have roughly one-half of the residents of the county home who should be in nursing homes, and we are told that we should get the persons out of the county homes into the nursing homes. So on both ends of the spectrum we have people who have to be accommodated in nursing homes.

What is the attitude of your ministry on providing more nursing home beds?

We are confronted with statistics. And if you look at the statistics there are all kinds of rationalizations in terms of provincial standards and relating one community or another with those particular standards. After delving into every nursing home in my riding, I must say that I don't think that the statistics truly reflect the needs of the people. In other words, we are maybe becoming more concerned with statistics than with people.

I know the minister is particularly sensitive to the needs of people and when he was the parliamentary assistant he was good enough to visit some of the nursing homes in my riding. I think he will have noted that while we don't have the strict new antiseptic accommodation that may be prevalent in other ridings, I am of the opinion that it is more important that we have compassionate people with possibly lesser accommodation than the cold, antiseptic look and atmosphere of a new institutionalized home.

What has happened is that we have taken the old homes that have operated and we have systematically cut down on the number of beds so that they have been pared to the minimum. Of course, this has been done with the view that we want to upgrade the accommodation. Well, there's nothing particularly ostentatious about the citizens of my riding. As a matter of fact, some persons still have to pump water and use an outhouse.

The accommodation that they have in the nursing homes, no matter what your ministry may think, is often far superior to the accommodation and assistance that they have had, probably, in their previous accommodation, so that while maybe in terms of a provincial standard, some of these older homes are not the ultimate in accommodation, nevertheless they are better than what many people have been accustomed to. For that reason, I sometimes wonder why we have cut down on the number of beds that were available.

Then, of course, when the applications come in for an increase in the number of beds in some of these older homes that are converted residences, if we see that there have been one or two beds permitted, we look upon those as successful applications. In other words, having been cut back in numbers of beds we look upon having a few of those beds restored as a minor victory. I hardly think that that's adequate to service the needs of the people.

This truly concerns me, because when persons needing beds have to follow the obituary column to see whether there's an opening, this indicates that there is an urgent

need in the riding, regardless of the statistical material that may be available to your staff.

Mr. Haggerty: Right on.

Mr. Taylor: I would think, Mr. Minister, that if persons qualify for some type of financial assistance in these homes, then surely the homes should be there. The beds should be available so those persons can have the service that they think they are entitled to. If they have to be picked or drawn by number, if there has to be some type of discrimination or privilege in selecting those who are to receive the accommodation, then I don't think that the plan is being administered in an open and even-handed way.

This again particularly concerns me. I appreciate the financial constraints. It may be that we are undertaking in this province more social welfare programmes than we can financially afford, but once we do undertake a programme, I think that we should ensure that that programme is open to everyone who has the need and who qualifies under the plan, and that the accommodation should be there. If that accommodation can be provided, and the capital can be provided by the private sector of our communities, then I don't see why the private sector should not be permitted to construct the homes. As you know, you license the homes in any event, and they would be built, and those in existence would be renovated if necessary to meet the standards, the criteria, that your ministry has established.

I think again that the needs would be probably more correctly interpreted in terms of the amount of private capital that would be put into these places. In other words, if the need weren't there, they wouldn't be built. Risk capital is private capital and consideration should be given to the construction of additional accommodation that doesn't exist now. Frankly, it grieves me that we have to play the numbers game in terms of where a bed should be or whether a nursing home should be given additional beds or not.

I know again the rejection has been so often in terms of application and the response and remarks have been merely that there is a county surplus. Well, I can't accept that. It's not even a rationalization.

I implore the minister—and I know he has the milk of human kindness and compassion for the people—to do what he can to accommodate extra beds, even in existing structures, so that the people who are entitled to this accommodation, who are not faring well in existing circumstances, can at least have some kind of care in their infirmity.

I know I'm being severely critical in this area. As I mentioned earlier, I know how difficult your task must be. But, again, let's not undertake programmes we can't afford to finance. We've undertaken this programme; let's ensure that the needs are satisfied and that the population is dealt with in an even-handed, fair and judicious way.

Hon. Mr. Miller: Mr. Chairman, I have very few counter-arguments to this story or to those that reflect upon the tremendous demand for nursing home beds. The 24,000 or 25,000 beds we now finance are in the main full, although strangely enough there are some areas of the province where operators are complaining of lack of patients.

Approximately 50 per cent or a little more than that of our patients are admitted from hospitals. There is no move, to the best of my knowledge, to move qualified patients out of the homes for the aged and into the nursing homes, but rather to direct them there in the beginning, instead of having them go to facilities that were designed basically for residential care.

You know, as well as I do, that I probably cut my teeth on the nursing home business in your riding. My first decision to increase the number of beds in a home was in your riding. In fact, my decision to ask the minister of the day to change the regulations under the Nursing Homes Act, so that we could waive some of the older homes, was based on visits to nursing homes in your riding. I tend to agree with some of the things you've said, that we were setting unrealistic standards for the old homes to meet if they hoped to stay in business, and that for many people in rural areas the quality of care was more important than the physical plant they were kept in.

But we still have to impose certain restrictions, because there is a great outcry whenever anyone is injured in a nursing home, as there properly should be, based upon the fact that the nursing home in which the accident occurred may be lacking some of the facilities that were specified in the Act. And where these are done by ministerial waiver, it's all the more critical of us, as you know. So we have those who are trying to find ways of resolving the issues, to allow people to live out their older years comfortably, and those who are crying at the same time for an increased degree of inspection services.

The programme is growing quite quickly.

I think we have about 900 new beds coming on stream right now, and another 1,500 thereabouts authorized to go on. I am limited by budget. The budget, as you can see in your book, is part of it. I think the total cost of nursing home facilities in homes for special care and nursing homes is close to $125 million a year now.

We pay every cent of that out of Ontario revenue, because it's not recognized by the federal government as a shareable expense. This, to me, is one of the gross inequities of the cost-sharing system we currently have for health-care services. Just imagine what would happen if they paid their 50 per cent, as they should: I'd be able to have twice that number of facilities operating if the demand required it, or I could divert those funds for other badly needed programmes.

I can't argue with many of the things you've said. I do have to face those financial constraints and realities.

Mr. Taylor: I commend you for your co-operation in visiting my riding and going through some of these homes and, as I mentioned, I appreciate your compassion and understanding. Unfortunately, when we get away from the on-site situations we become statistical. We talk in terms of the number of beds coming on stream and so and so forth, but when you go into the field and see the precise number of beds that actually have been established in addition to those existing they don't seem to relate again.

Again, we talk in terms of providing hospital service, active-treatment care. How would it be if we said to the 500th person who might come along to a hospital, "I am sorry, but we can't accommodate you, either medically or in the hospital because we have reached our quota"? The same rationale would apply to nursing home beds. Either you qualify under the plan or you don't, whether it is a medical plan or whatever it is. If a person is equally qualified, then he should be equally treated. If we are going to have a programme, then we have to have the accommodation to accommodate the people who qualify for that programme.

My submission is that we don't have the accommodation for the persons who qualify for the programme. As I mentioned, I appreciate the financial constraints, but we should think of those financial problems before we get involved in the field. I am suggesting to you—and I would appreciate your comments on the proposition—that this is private capital that is being put into these nursing homes and surely the private risk capital isn't going to invest money in types of enterprises that are not going to be utilized.

Again, surely they must judge the need in terms of the community. You know and I know that there are all kinds of persons who are anxious to build additional accommodation. What would be wrong with permitting expansion of the facilities for beds to accommodate the people who have that need?

Mr. Deacon: Mr. Chairman, the minister made a statement a short time ago that is rather misleading in my view; that is, that there are no federal funds coming into this programme specifically for these beds. In fact, there are more federal funds coming into the province that are not marked for any specific programme, but that are unconditional funds, than there are of conditional funds, and the province is receiving very substantial funds.

Hon. Mr. Miller: For health? No.

Mr. Breithaupt: To use as you wish.

Mr. Deacon: They are just general funds to use as you wish. This is one of the great things about their funds. They don't have to be tied to some programme.

Hon. Mr. Miller: You haven't ever had to negotiate with those guys.

Mr. Deacon: That is no answer at all.

Mr. Chairman: I was wondering if perhaps the Chair could draw to the attention of the hon. members that on item 2 the hon. members for Welland South, for Hamilton Mountain (Mr. J. R. Smith), for Huron-Bruce (Mr. Gaunt) and for Kent (Mr. Spence) all wanted to speak, but the Chair took some direction from the House leaders that we should move to item 4, psychiatric services, as soon as possible around 9 o'clock. I will be guided by the House leaders but this was my direction.

Mr. Breithaupt: Mr. Chairman, if we can, we could move on to that item with the proviso that after the leader of the New Democratic Party has spoken on item 4 we could perhaps return and complete the other items to accommodate him.

Mr. S. Lewis (Scarborough West): People are very generously accommodating me and I appreciate that, but I also feel badly about the intrusion on House time.

Mr. J. E. Bullbrook (Sarnia): It is not really proper.

Mr. Lewis: I know it isn't; I agree. Maybe it makes more sense for this vote to be completed and then we can go to item 4.

Mr. Bullbrook: Sure it does.

Hon. A. K. Meen (Minister of Revenue): Sure, carry the vote.

Mr. Chairman: Perhaps we will move along with this item and then go to item 4. The hon. member for Welland South.

Mr. Haggerty: Thank you, Mr. Chairman. I want to follow along the comments that the member for Ottawa East and the member for Ottawa West and the member for Prince Edward-Lennox have just put forth to the minister in a strong plea that some initiative be taken by the minister to provide additional facilities for the chronic patients in the Province of Ontario.

If the minister can recall, some time this past spring I wrote a letter asking him for some consideration to apply his office and his facilities to grant permission to the Port Colborne General Hospital to renovate the nurses' residence for the chronic patients in the area. I'm sure he's well aware of the number of patients who are waiting to get into not only the chronic wing of the hospital, but into the nursing homes in the area. I'm sure he's aware of the programme and the seriousness that exists in the Niagara Peninsula where, last spring, a number of patients were moved from the Northland Manor, Port Colborne, under the homes for the aged, to the chronic wing of the Fort Erie Douglas Memorial Hospital. Many of them didn't overcome the move and passed on. I feel that this was perhaps a move that wasn't necessary.

I didn't get a commitment from the minister for approval to allow the renovation of the nurses' residence for chronic-care patients in the area. His letter was very vague and he skirted around the issue. Would the minister now, if I can get his attention, give consideration to making an agreement with the Ontario Housing Corp.—although he says perhaps it would cost too much money to renovate the nurses' residence—for the present facilities at the nurses' residence, which are perhaps apartment-size, to be leased to the Ontario Housing Corp. for senior citizens in the city of Port Colborne which, again, has a critical necessity for additional senior citizen accommodation? Would the minister give any consideration to that proposal?

Hon. Mr. Miller: As I read it, you are making two proposals. Are they mutually exclusive?

Mr. Haggerty: Yes. I will take any one that you will consent to.

Hon. Mr. Miller: The first one was the conversion to chronic. It would be the opinion of our staff that they have examined this already. They have agreed to the feasibility of converting this nurses' residence because it is relatively new. The funds for that purpose at the current time are in our 1975-1976 budget and subject to the approval of those funds they would do it.

Mr. Haggerty: They are going to do it? The ministry will provide an additional 50 beds, will it not?

Hon. Mr. Miller: Yes, Mr. Chairman.

Mr. Haggerty: Then I thank the minister for moving in that direction.

There is another matter that I want to raise. Perhaps it's not on this particular vote, Mr. Chairman, but the matter I raised in the estimates last Thursday night, I believe it was, dealt with the radioactive waste in Elliot Lake. Has the minister anything to add to that?

Then I have one more question, Mr. Chairman. I notice there is nothing in the estimates this year dealing with the environmental health section. In the estimates in previous years we always had one particular item that we dealt with. I find that it's not there—not in my book, anyway.

Hon. Mr. Miller: I understand we passed that vote on the occupational health section of the ministry.

Mr. Haggerty: Is it there?

Hon. Mr. Miller: Yes, it is. I can tell you if we look back, if you can tell me which number it was. I believe Dr. Tidey was in earlier—the vote was 2802, health standards.

Mr. Chairman: May I suggest to the hon. member and to the minister that we stick to the area of item 2, please?

Hon. Mr. Miller: Mr. Chairman, may I be permitted to give him the report that I committed myself to giving at an earlier date when the information wasn't available? Either that or I can give you the written statement.

Mr. Haggerty: I will accept that.

Mr. Chairman: The hon. member for Hamilton Mountain.

Mr. J. R. Smith (Hamilton Mountain): Mr. Chairman, I think a good piece of legis-

lation of this government is the extended-care programme for nursing homes. Indeed, I was talking to a social worker—

Mr. Chairman: We're on item 2. We haven't got to item 3 yet, on extended care. I'm sorry—we'll get to that in a moment.

The hon. member for Huron-Bruce wanted to speak on item 2.

Mr. M. Gaunt (Huron-Bruce): Yes, Mr. Chairman. I want to talk briefly, and it will be briefly, with respect to the Mustard report. I've had some communication with the minister verbally, and with his parliamentary assistants in writing, in regard to the Mustard report and I want to deal with that as a separate and distinct item from the health councils, because I understand the ministry is not subscribing entirely to the recommendations of the Mustard report insofar as the application of health councils is concerned throughout the province.

I'll deal first of all with the Mustard report. As I read the report and as I get reaction from the general public in regard to the Mustard report, I would have to say the general tenor of the report worries me. The proposals have very far-reaching implications; and indeed if the sweeping recommendations were implemented we would have a delivery system which might be more efficient—I'll concede that; it might be more efficient—but would certainly be less acceptable than the one we have at the moment.

Those are the trade-offs that are involved in coming up with the best possible system. One tries to achieve maximum efficiency while at the same time keeping within the confines of public acceptance.

In my view, the proposals put forward in the Mustard report are not publicly acceptable—and I would say that those are not my views entirely but the views of many people with whom I've talked, including county council people and municipal people, people involved in the public health field and people involved in the hospital board field. All of them, without exception, are very disturbed with the proposals outlined in the Mustard report and I think with good reason. I would urge the minister to set aside the Mustard report and treat it as an academic piece of literature which really has no application in the Province of Ontario.

Let me deal with the matter of health councils, as the minister has proposed them, in my own area. The health council which is being proposed for Huron county is made up to cover five counties comprising a population of 550,000 people. It would include the cities of London, St. Thomas, Woodstock and Stratford. Huron county has a population of roughly 52,000 people. So one can see at a glance that Huron county, with that kind of representation, 52,000, would be simply smothered in the health council, particularly when most of the population resides at the southern end of the district. The majority would be at the southern end, while Huron would be at the north; and there we are.

I can't understand why the minister wants to set up such a large health council to embrace that area I've described, particularly when Grey and Bruce counties are a district with a population of 114,000, Lambton-Kent, a population of 206,000, and Dufferin-Wellington a district of 136,000.

I know the minister will tell me that the area which is proposed reflects the transfer patterns—transfer isn't the right word; I'm looking for another word—

Mr. Parrott: Catchment area.

Mr. G. W. Walker (London North): Referral patterns.

Mr. Gaunt: Referral patterns, thank you—reflects the referral patterns, because a lot of those people go to London for service. The specialists are in London and London hospitals have a lot of the equipment which isn't present in the other hospitals in the area. So the referral pattern is centred around London. That's quite true, I concede that, but I'm simply saying to you that if you have a health council, proposed as it is in your document, where we have, I believe, 15 members, then under the conditions I've described I don't think Huron county has a chance or a hope in the world of having any sort of say in the policies and the planning directions which that health council would give.

Numerically they are just right out of it. I say to the minister that as far as I am concerned the only way to make the system work in a practical way is to chop that population figure in about three and set up a health council within reasonable limits, having regard for the population and having regard for the specific needs of the specific areas.

That brings me to the next point. I don't think these people should all be appointed; some of them should be elected. I think the majority of them should be elected in order to reflect the views of various segments of

the community and various attitudes within the community. I know there are some problems attendant upon that kind of thing but I think they can be worked out.

The representation should reflect the attitudes with respect to the health units, to the hospital boards and to the municipal governments; and you should have a good sprinkling of consumer representation on it as well. I don't think they should all be professionals. With those comments, Mr. Chairman, I don't want to take up any more time.

Mr. T. P. Reid (Rainy River): Take some more.

Mr. Gaunt: I just say to the minister that it's very important in my view. The health council setup and structure, the makeup of the health councils are very important. I consider the recommendations of the Mustard report as a very important matter too, with which I don't agree.

Mr. Chairman: Does the minister wish to reply?

Hon. Mr. Miller: Yes. These are very important points, Mr. Chairman, and I would like the opportunity to reply to them because they are issues I'm spending a great deal of time discussing with the ministry staff.

Mr. Lewis: Again your position will be rather more progressive, I suspect.

Mr. R. S. Smith (Nipissing): Or rather hard to figure out.

Hon. Mr. Miller: We've had close to 500 replies on an organized basis on the Mustard report to date. We are tabulating every one of them except those that may be form replies, because some of them, in fact, are form letters that have been sent in at the request of at least one organization.

Mr. R. S. Smith: The effectiveness is—

Hon. Mr. Miller: The generality that people are objecting to the report is not really quite accurate. The fact is that almost every single reply is supportive in more than 50 per cent of the things it touches upon, and is of course negative in almost every instance on certain areas. The one generality I can state is that wherever the recommendations of the report touched upon the field of the person replying he objected to it. When it affected somebody else he was in favour of it.

Mr. Lewis: It is an unusual human reaction.

Hon. Mr. Miller: It is, I thought, rather unusual, yes.

Mr. Reid: That's kind of a blanket statement.

Mr. Breithaupt: Does that mean the report is all good or all bad?

Mr. Chairman: Order please. The hon. minister is replying.

Hon. Mr. Miller: The fact remains we have taken pains to take every single reply, to number it and to check off those things on which respondents agree, disagree or are neutral. With such a check system available, it is relatively easy to break out specific, positive recommendations that might be embedded in the reply and put them in writing so we can summarize them.

This is a very interesting exercise. In fact it is one which tells us those parts of the report that have anything like general approval and those parts which have little, if any, general acceptance. That is going to help us a great deal in preparing, not necessarily a white paper—

Mr. Reid: Is that what those parts are?

Hon. Mr. Miller—but our first reaction to the replies to the Mustard report. I am hoping that will be in the not too distant future, so you can get some picture as to what is happening. Some of the major replies still have to come in. The Ontario Hospital Association brief, to the best of my knowledge, has not been received yet. So much for that. In other words, to use a sweeping generality, the people always tell you the things they don't like; you know that.

Mr. Reid: They always tell me they don't like the Conservative government in Ontario—99 out of 100—

Hon. Mr. Miller: But they put us back in.

Mr. Reid: At least it was 99 out of 100 until now. After tonight it will be 100.

Hon. Mr. Miller: Now, now; such optimism is totally unwarranted.

Mr. Chairman: Order, please. Could we deal with the item?

Hon. Mr. Miller: I am trying, but they are being provocative again.

Mr. R. S. Smith: The minister is being evasive.

Hon. Mr. Miller: Now, as to the boundaries and the size of the district health planning councils, the discussions surrounding them have detracted from the importance of the concept itself. I tend to agree with the hon. member that the area that was specified in the immediate vicinity of London was in fact very large and unwieldy, and therefore subject to review and change. The latest suggestions to me say that Elgin, Middlesex and Oxford might be in one health planning council and that Huron and Perth might be in another.

Mr. J. Riddell (Huron): That sounds more reasonable. We can buy that.

Hon. Mr. Miller: All right.

Mr Reid: What about Kenora and Rainy River?

Hon. Mr. Miller: Well, in any case, let's put it this way: I don't want to lose sight of a good principle based on the detail of a boundary that may be drawn and assumed to be rigid in its context.

The composition of the district health planning councils, it is hoped, will be mainly consumers. If you have looked over the two that we formed, you will see that more than 50 per cent of the representation on the council is non-professional. Ten out of 17 in Ottawa have no direct ties to the health care delivery system; seven have. This type of balance is one we hope to continue.

In effect, while we do the appointing, it is based upon the report of a steering committee which works long and hard at finding an equitable choice of people, both geographically from the local political scene and from the interests they represent.

Mr. R. S. Smith: What do you mean by political?

Hon. Mr. Miller: Well the municipal governments of the area. For example, if it is a regional government, obviously we are dealing with one unit of government. If it is in a rural area such as your own, then we have to find people who can represent municipal government without monopolizing one particular part of the area.

This is a very important job of the steering committee. We have been prone to accept their recommendations without any particular attempt to decide any other political nuances in the selection process. I think we have done this as honestly and as sincerely as we can, because we place a great deal of importance on the quality of person who becomes appointed to these health planning councils. They have more funds to be considering than most of the municipalities they represent. So we are looking at those issues and will continue to do so.

Mr. Gaunt: Mr. Chairman, I just want to respond very quickly to what the minister has said. I am delighted to hear there is a new proposal being considered that would alter the size of that proposed district health council, because I think it was entirely unwieldy and really wouldn't have worked. I think the minister is quite correct, that a good concept could have been destroyed simply because the area proposed is entirely unworkable; it is too big. So I am glad to hear what you have done in that respect.

May I say in summation, that as far as I am concerned, when we create a system where the people at the local level don't have any input into the decision-making process, that all they are required to do is foot the bills, then we have got troubles. No matter how efficient the system proposed, enacted or whatever, you are going to have problems, unless you give people at the local level the feeling they have got some input into the local decision-making process.

That's why this government seems to continually insist on putting the efficiency goal before anything else. I think it's really typified in this kind of process that we are going through with respect to the Mustard report. I like to think that I am fairly progressive and I would have some progressive ideas for you; but certainly not along the lines that are proposed in the Mustard report.

Hon. Mr. Miller: First of all, I would just like to rebut that—because the concept of the district health planning council does have connotations of monetary efficiency, but the basic concept was one of improving the delivery of health care services.

Mr. Reid: That's right; and that is where you are wrong.

Mr. Chairman: The hon. member for Kent.

Mr. J. P. Spence (Kent): Mr. Chairman, I just want to be brief. We have been talking about nursing homes and health councils. Now, in regard to the rest homes we have across the Province of Ontario, many of them are doing an excellent job. But, from time to time, we get complaints that some are not carrying out their duties as they should.

When you contact the health units which are supposed to inspect these homes, we find

the health units have no inspectors. I did contact your office and I had fine co-operation from you, Mr. Minister, in regard to having your inspectors go into rest homes to make inspections.

I understand that some of the patients that come from the ministry's institutions are placed in some of these rest homes across the Province of Ontario. Now, I think, Mr. Minister, there should be inspection, but I wouldn't want to see the regulations forced on these rest home operators that you have on the nursing home operators, because I would say that in the past we have had a shortage of homes and beds in certain parts of this province.

I wonder, Mr. Minister, if you are giving some thought to inspection by your ministry, so that patients in those rest homes have some security, or somebody to fall back on, if conditions are not what they think they should be?

I am quite concerned as to how drugs are dispensed. Are the people who are dispensing drugs qualified, or what? We should have some security for those individuals who are in our rest homes across the Province of Ontario.

Mr. Chairman: The chair would rule that the hon. member for Kent seems to be varying from item 2 to item 3; so I would hope that perhaps the minister might keep that answer in abeyance and maybe we could continue on item 2. It seems to me also, and I just draw it to the attention of the House leader (Mr. Winkler), that there was some psychiatric services, item 4.

Mrs. Campbell: We are ready for both of them.

Mr. Chairman: And the chair is willing to accommodate the House leader if hon. members are agreeable.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Agreed.

Mr. R. S. Smith: I just have a couple of comments to make on health councils and on the Mustard report.

Mr. Reid: Mine won't be long, Mr. Chairman.

Mr. Chairman: We have three who have indicated they wanted to speak, and it seeems to me that the chair will take direction from the hon. members—but he is trying to accommodate the House leader.

Mr. Young: Let's go.

Mr. Chairman: I would suggest that we go on to item 4.

Mr. R. S. Smith: Are you cutting off debate?

Mr. Chairman: No, on item 4; I think the House leaders agreed we would go on with item 4, and we can come back to complete items 2 and 3 at completion of item 4—if that is agreeable with the hon. members.

Mr. Reid: On a point of order, Mr. Chairman. I have to go to a meeting of the parliamentarians. I am supposed to be there very shortly, and I only have a few moments. I want to talk on district health councils, as they relate to my riding.

Hon. Mr. Winkler: They knew you were coming—they just left.

Mr. Lewis: Can we cut it off after three? Maybe the three people who have—

Mr. Chairman: I'll indicate the three who have indicated they would like to speak. They are the hon. members for Nipissing, Oxford and Rainy River—and then perhaps we can carry the vote and go on.

Mr. R. S. Smith: I'll make my comments very short. I just want to speak on the health planning councils. As far as I see from the map that has been provided to me by the ministry, it leaves us with a health planning council that encompasses the areas of Nipissing, Parry Sound and Muskoka. I don't mind being in an area with the minister in so far as health planning is concerned, except that we don't have anything in common and there's obviously no reason why we should be on that type of a council.

I am not saying that you and I don't have anything in common, but our areas don't have anything in common. There's no way I want to see the hospitals in North Bay and district in a health planning council with those in Parry Sound and Muskoka. Those are the only areas that are left, as I look at the map that's been provided to me. From that I would expect we will be left alone in Nipissing to form our own health planning council, as we have done in the past, and as we were the first to do in the province in the early 1960s under the direction of the North Bay city council, a member of which I was at that time.

The other matter I would like to make comment on is the Mustard report, and in particular recommendation No. 5. I would

say to you, Mr. Minister, there's no way that I personally would support the dissolution of the hospital boards as they exist across this province today. If that is to be the policy of the government, I certainly would oppose that.

These are the two points I would like to make—one in regard to the Mustard report and the other in regard to the health planning council.

Hon. Mr. Miller: May I interrupt?

Mr. R. S. Smith: I am finished.

Hon. Mr. Miller: Briefly, Mr. Chairman, on the question of Muskoka, Parry Sound and Nipissing being a unit, again let's not get lost in the boundaries shuffle. It's interesting that Muskoka-Parry Sound feel they have something in common with Nipissing. As I recall it—the Minister of Community and Social Services (Mr. Brunelle) isn't here—but there have been representations made to him to tie his services to the north rather than to the south, which was recommended by government.

I am not sure of my economic boundaries but it seems to me there's an economic boundary just north of Muskoka. One of the fundamental rules is that no unit of administration in the province should straddle two economic regions, as I recall. This has complicated the thought that we should be having Muskoka in with, say Parry Sound and Nipissing.

I would have to disagree personally and say the people of Muskoka feel much more in common with those in North Bay than they do with those in Orillia.

Mr. R. S. Smith: Well, I would say to you that the people in North Bay don't feel much in common with the people in Muskoka.

Mr. Reid: Much more taste in North Bay.

Mr. R. S. Smith: So it's a question of where you come from and what you feel in common with. Really, when I look to the south of me and look to Parry Sound and Muskoka, surely you can understand why I don't feel much in common with either one of them, more from a political point of view than any other point of view that you want to look at.

It's obvious that if you look at the map that has been provided, as far as the health councils across the province are concerned, the only area left without a health council is Muskoka, Parry Sound and Nipissing. I am just pointing out to you that the people in my area do not want to be in a health council with Parry Sound and Muskoka, because we don't feel that we provide a service to the same people whatsoever.

As far as the Mustard report is concerned, you have not commented on my remarks and I would appreciate it if you will do so.

Hon. Mr. Miller: You commented on the area service management board issue. That was, I think, the one specific comment you just made. Is that correct?

Mr. R. S. Smith: The one specific comment I made was in regard to the local boards of the hospitals.

Hon. Mr. Miller: I can say safely, that's one of the comments that received a great deal of negative comment. I am not going to make any judgement until we are prepared to come out with some feelings on the report, except to make that observation—

Mr. R. S. Smith: And you know the implications of that.

Hon. Mr. Miller: —that there was a lot of negative comment.

Mr. Roy: I didn't quite understand that at all.

Hon. Mr. Miller: That was my intent.

Mr. R. S. Smith: Does that mean that because the comment is negative you will not implement that part of the report?

Hon. Mr. Miller: Mr. Chairman, we have not stated what parts we are going to implement or not implement.

Mr. R. S. Smith: That's what I am trying to get from you.

Hon. Mr. Miller: I know you are, but until I am prepared to bring back our reaction to it, I am just not going to say.

Mr. R. S. Smith: Okay, that's what I want you to say.

Mr. Roy: Why did it take you so long to say it?

Mr. Chairman: The hon. member for Oxford.

Mr. Parrott: May I follow on rather briefly to the remarks of the member for Huron-Bruce? I think he was correct when he suggested size was the problem with that particular health council.

We have thought about that problem in Oxford. I think we ought to recognize at the

same time that there is a very definite referral pattern that can't be changed, at least readily and quickly, we must learn to live with it. I'm wondering if the minister would consider the possibility of indeed a two-tier system of councils—one from each of the various counties, and then an overall senior tier. I think it might have the possibility of giving the hon. member for Huron—

Mr. Young: Let the boundaries coincide with the regions within the boundaries—

Mr. Parrott: That's right. That's precisely what I'm suggesting. I would like to develop that argument a little further, Mr. Chairman, but I know time will not permit, in deference to the other members of the House.

I hope that you might consider that a possibility. It would be a change in pattern for that area and perhaps for the others. But it is so large and it has such a natural catchment area that I think we must recognize that, because that's the way it will function regardless of how we structure it. That's the one way that I could see around the dilemma that you find yourself in at this time.

Hon. Mr. Miller: Well, I think a problem similar to that was being faced in the northwestern part of Ontario where they, in effect, have proposed some kind of substructure where, because of the vast areas—Red Lake, Kenora, Fort Frances—

Mr. Foulds: It is 58.2 per cent of the land mass of the province.

Hon. Mr. Miller: In this case they're talking about some kind of representation from local groups to a senior group. That is their thinking and it may well work in your area, although I would not like to jump to that conclusion until we finish the negotiations that are going on. We're very open on it, that's all I'll say now.

Mr. Parrott: Could I hope then that perhaps there will be a rather full dialogue with the total area before that will be decided? I know there has been one meeting now, but I don't think it was as representative as it perhaps should have been.

Hon. Mr. Miller: Well certainly local input is very important in this. I would be sure to give you that commitment.

Mr. Chairman: The hon. member for Rainy River.

Mr. Reid: Thank you, Mr. Chairman. It's rather interesting to hear the comments from all sides of the House, regardless of party, about what they think about district health councils. It's particularly interesting that my colleagues and the member who just spoke, who's on the government side, should feel that perhaps their area is too large. I find myself in perhaps a traditional role in pointing out to the minister the health council that seems to be almost de facto, and that is in the Kenora-Rainy River area.

Now my colleague from Port Arthur has pointed out to you that northwestern Ontario is roughly 60 per cent—well actually it's about two-thirds, or 66 2/3 per cent—of the land mass of Ontario.

Mr. Foulds: It is 58.2 per cent.

Mr. Reid: Yet your ministry is insisting on putting in a district health council that's going to cover my riding and that of the member for Kenora (Mr. Bernier) which comes to —my figures may not be exact—something in the neighbourhood of 10,000 square miles. As I have pointed out to you, and as the advisory committee on the district health council in that area has pointed out to you, this is going to be almost completely unworkable.

Now you talked about a substructure in which you're going to have representation from those areas that may not have a particular representative on the district health council per se. But when you're talking about my area you're talking about Sioux Lookout, Red Lake, Dryden, Kenora, Fort Frances, Rainy River, Atikokan—

Hon. Mr. Miller: All the new hospitals.

Mr. Reid: Well not quite all. As a matter of fact, I'd like to put in a plea for a new hospital in Dryden, if I may, while I'm at it.

Mr. V. M. Singer (Downsview): Going to announce that tonight?

Mr. Reid: I must say to the minister that we appreciate the fact that you were flexible enough to give us a new hospital in Atikokan. People in my riding realize that part of that was due to the fantastic representation I made on their behalf, as well as the good offices of the Minister of Health.

Mr. Foulds: "Fantastic" comes from the word "fantasy."

Mr. E. J. Bounsall (Windsor West): Almost lost it; almost didn't get 'em.

Mr. Reid: And that is the only reason I am on my feet tonight, because I feel that in

many of these matters the minister in fact is flexible and willing to take another look at these matters.

Mr. Parrott: Good man.

Mr. Reid: I'm not that partisan that I can't say a good word when I think a good word is deserved. That's the only one I can think of in seven years, but when it does happen I'm prepared to say it.

Hon. D. R. Timbrell (Minister without Portfolio): He's not used to thinking good thoughts, that's all.

Mr. Reid: If I can describe for the House the area you're wishing to put in one district health council, compared with my friend from Oxford, my friend from Huron-Bruce and the others, I'm sure my friend from Thunder Bay has what can only be described as a dog's breakfast when it comes to something that might be described as a district health council.

Mr. Stokes: How dare you!

Mr. Reid: Take Sioux Lookout, in the north, which is 70 miles from Dryden by road; Dryden is 75 miles from Kenora by road; Kenora is 120, over some of the worst highway in northwestern Ontario. They keep building 10 miles this year and 10 miles next year. By the time they finish it, the first 40 miles is falling apart. That's to Fort Frances. It's another 55 or 60 miles to Rainy River.

Mr. Roy: Can the minister do something about the roads?

Mr. Reid: If you go east of Fort Frances, you go another 90 miles—and so on and so forth. If you take in Red Lake and all the rest of the area, it is completely indescribable because there is no north-south line of communication. If you would build the road between Atikokan and Ignace, that would help also.

We have these problems and you are trying to put us in a district health unit that you say, among other things, will provide some kind of monetary benefit to the areas of Kenora and Rainy River. We suffer in northern Ontario, and I'm sure you have heard this before, from a lack of all medical personnel from the top down or the bottom up, doctors, nurses, physiotherapists, psychiatrists —I was going to say psychopaths, but we have plenty of those.

Hon. Mr. Trimbell: That's right. They send them to Queen's Park.

Hon. Mr. Miller: They send them to Queen's Park.

Mr. Lewis: Some of them are ambulatory.

Mr. Reid: We have a shortage of all medical personnel. Yet your ministry's attitude seems to be that if we can put somebody in Thunder Bay or we can put somebody in Kenora, then this can serve the whole region, when you are talking literally about hundreds of miles with one of the worst communications and road systems in Ontario. As a matter of fact, you said you are going to have a district health council of Kenora and Rainy River, and it just won't work, because of the communications problem, and because these areas to a large extent do not have all that much in common.

This has been the problem with your regional concept of government to a large extent, that you feel that you can put parameters in an area, draw a circle around them and that this concept is going to work. That is not going to work. What you have to do if you are going to provide medical care in northern Ontario, particularly in northwestern Ontario, is to ensure that those communities are served by the kinds of medical personnel that are easily come by in the Province of Ontario in the southern area.

We have made this speech; all us members from northern Ontario have said it one time or another. We pay the same OHIP premiums as the people who reside in Toronto. We don't have the access to the specialists that you do in southern Ontario, although we are paying the same premiums for OHIP. And now, to add insult to injury as far as we are concerned, you are forcing us into a district health council that—don't make faces. This is what we have been told.

Let me go back a little in history because I think the minister will agree, if he knows what has happened in the concepts of district health councils, that the Kenora and Rainy River areas were one of the first areas that did something concrete with regard to district health councils in the province. The minister is nodding his head. Maybe he's nodding at someone else.

Hon. Mr. Miller: I was just nodding at the girls.

Mr. Reid: There are good-looking girls on Hansard and I don't blame you for that. Perhaps I could take a second out to do the same thing but I'm kind of involved in what I'm saying.

Mr. Chairman: Will the member for Rainy River get back to the particular item?

Mr. Reid: I'm talking about district health councils and I'm talking about the history of them because the minister was shaking his head that this was not so. The people who worked actively on that first advisory council, as far as district health councils go, recommended that the Rainy River district and the Kenora district be separated. As a matter of fact, I'm sure the minister or his predecessor agreed that this was one of the finest jobs that was done across the Province of Ontario as far as public input was concerned in regard to district health councils. Yet the minister chose to ignore those recommendations. That's his prerogative.

As matter of fact, we thought that we would probably be one of the first areas to receive what we thought at that time were the benefits of a district health council. That didn't materialize and we find ourselves right back really where we started some three or four years ago after the good and hard work that Ken White from Fort Frances, Fred Chomyshyn from Atikokan and a number of other people did on that district health council.

I merely add another plea to the brief that the minister received from the advisory committee on district health councils. I say to my friends from southern Ontario, if you think you've got problems in regard to areas that are going to be concerned and public input and community of interest, you haven't got any problems compared to what we have in northern Ontario.

Mr. Singer: Well said.

Mr. Chairman: Mr. Minister.

Hon. Mr. Miller: I would like to point out that I visited with your steering committee on June 1, 1974, to discuss the progress they were making towards the formation of a district health planning council. I had no policy and I still have no policy of coercing any area into forming a local district health planning council. It's as simple as that.

An hon. member: You will in a few years.

Hon. Mr. Miller: I may well have in the future. I've never made any bones about that.

Mr. Bullbrook: That's right.

Hon. Mr. Miller: I simply say that at this point in time I haven't said there is any coercion.

Mr. Bullbrook: You've got your hands full right now. As soon as you get that over with you will.

Hon. Mr. Miller: There are several good reasons, and one of them is to make sure that the models are working and to work with people who want the models to work. I think that is only good sense. In talking to your group on June 1 and discussing the problems they had in getting proper representation for this vast area, they were nothing but positive. No one implied to me that they did not want to work with the area involved and described. If, in fact, we are wrong I would like to know more about it and I'm quite prepared to do that.

Mr. Reid: Mr. Chairman, I will be very brief. If I may reply then to the minister, I would suggest that he read the original brief from the advisory committee. I'm very proud of the fact that they were very positive because they had made up their mind that, regardless of what happened, they would make it work as best they can. But they have been informed by people in your ministry that they are going to have Kenora-Rainy River and that's it and they might as well make up their mind to it.

I'm glad that I can take back to them your suggestion that you're not going to coerce them into that and that, in fact, they may still be able to break it up into some kind of rational exercise so that both areas can be served better. As I say, I'm glad to hear of your flexibility, but they have been told previously that they had no choice, that it was Kenora-Rainy River. I'm glad to hear you make the remarks that you did.

Mr. Chairman: Does item 2 carry?

Mr. Riddell: Mr. Chairman.

Mr. Chairman: The hon. member for Huron.

Mr. Foulds: You had your speech in this House.

Mr. Singer: He can speak as many times as he wants.

An hon. member: Are you objecting?

Mr. J. M. Turner (Peterborough): And he is going to.

Mr. Riddell: I spoke, but not on this particular item.

Mr. Chairman: The member for Huron has the floor.

Mr. Riddell: Mr. Chairman, I certainly concur with the remarks that my colleagues have made pertaining to the Mustard report.

Mr. Lewis: On a point of order. I've certainly been as accommodating as any member of the House. There were four names on the list and then three names on the list for item 2. I understand it can be cut off—it can continue, of course—but I want to point out to the member for Huron, whatever self-interest may be implied in this, that the members of the opposition collectively agreed that after the last three speakers—which was a total of God knows how many on the vote—we would move to item 4. Although the House leaders had agreed in concert that we would stop at 9 all of us went on to 10, understanding that there were many individual items to be raised. If it is possible for the member for Huron to be brief it would be appreciated. If it is not, so be it.

Mr. Riddell: I will be very brief, Mr. Chairman. I'm wondering whose interest is really involved here, though.

Mr. Lewis: Mine. I said self-interest was involved I'm not toying with it.

Mr. Riddell: All right Another objectionable part of the Mustard report is the recommendation that doctors practise out of the medical clinic and that patients would go to a clinic where a secretary would refer them to a doctor, the choice being dependent on the particular medical problem. Mr. Chairman, the public have a right to the doctor of their choice. In other words, they have the right to choose their own family doctor, and the public are going to object strenuously to any recommendation such as this.

Surely there is more to doctor-patient relationships than that which this recommendation would suggest, and surely doctors should be able to practise where they want and at the hours they want, and surely the public should have the choice of the family doctor they wish to consult with during periods of medical ailments. I just wish to emphasize that we as a government cannot deny the public the choice of a family doctor, and I hope that this particular part of the Mustard report will do little more than collect dust.

Mr. Chairman: I'd like to inform the member for Huron that we discussed this away back in vote 2801.

Mr. Singer: But he's entitled to his say, Mr. Chairman.

Mr. Chairman: He was entitled to his say then.

Mr. Singer: He's a member of the House. That is why he is here.

Mr. Chairman: Item 2 carried? Agreed. Item 3. Carried?

Mrs. Campbell: No, item 3 isn't carried.

Mr. Deans: If I may, Mr. Chairman, the agreement was simply that we would move to item 4 of vote 2803 and deal with that, and then in whatever time was left, we might turn to whatever votes there were still to be dealt with.

Mr. Chairman: I didn't know of that agreement.

Mr. Deans: That was the agreement with the House leaders.

Mr. Chairman: The procedure when we started these estimates was to deal with them item by item.

Mr. Stokes: Yes, but you changed chairmen.

Mr. Deans: On a point of order if I may, the discussion between the Liberal House leader, myself and the minister was that at the conclusion of this vote we would go to item 4 of 2803, and I would ask you simply—

Mr. Chairman: What do we do with item 3?

Mr. Deans: We stand it down. It was agreed with the chair.

Mr. Stokes: And carry them all at 10:30.

Mr. Chairman Do you agree with this, Mr. Minister?

Hon. Mr. Miller: Yes.

Mr. Chairman: The minister says he agrees that we move to item 4.

The hon. member for Scarborough West.

Mr. Lewis: This is all obviously very difficult. Let me simply harangue the minister for a little while and he can relax in the process.

Hon. Mr. Miller: Relax with you?

Mr. Lewis: I apologize I guess—I don't see why I should but I just feel that way about it—because the absurd rules of the House require that we move to other estimates, in

effect, on Thursday, to Education and Housing.

I just say in self-defence, Mr. Chairman, that I have offered but two interjections through the entire Health estimates. This is the only part that I was really interested in and wanted to occupy the time of the House on, so I am going to take the time and do it in whatever machine-gun, staccato, rapid style or fashion is necessary to get some of it on the record, because if it doesn't get on the record now it will never get there.

Interjection by an hon. member.

Mr. Lewis: Well, we are not going on, as I understand. We are passing the estimates at 10:30. If we are not, I'll defer.

Mr. Chairman: Well, carry on with item 4. You are wasting a lot of time.

Mr. Lewis: Okay.

Interjections by hon. members.

Mr. Lewis: Boy, you have a nerve with your gratuitous asides. That's right.

Mr. Chairman, my wish to intervene in this item stems—the House may remember—from the death of Derek Halanen, the 15-year-old boy at the Queen St. Mental Health Centre, who the inquest jury indicated had fallen accidentally from an upper-level storey of the centre, but who some people felt had committed suicide.

I remember that many years ago many members of the opposition parties in this House participated in debates about facilities for adolescent children and even younger children. Some of those debates were successful, some of the battles were fought usefully, and I think some accommodations were made on the part of the government.

The death of Derek Halanen highlighted in a very dramatic way the kind of problems that continue to exist, and the transcript of the inquest chronicles in a fashion which is quite terrifying the way in which the institutional arrangements in Ontario for adolescent children are unable to provide the kind of treatment response which might indeed have saved a life. To read about the transfer of this young man from institution to institution—some six of them, I think, in a period of 18 to 20 months prior to his death—is to read an indictment of the system.

At the inquest the deficiencies were well set out by the evidence that was placed. At the end of the inquest there was a very moving and eloquent presentation made by Mr. Doug Finlay, who is the director of your children's services now. I'm almost afraid to compliment Doug Finlay too strongly in this House. Last time I complimented any one involved with mental health for children was Dr. Naomi Rae-Grant, and she subsequently left the ministry. I'm assuming that Mr. Finlay's job is secure and that for me to applaud him in the House will not detroy his future. I would like to have that commitment. I am a fan of his—

Hon. Mr. Miller: So am I.

Mr. Lewis: Good. All right. Then we have that in common.

Mr. Foulds: As long as you last, he lasts.

Mr. Lewis: One of the interesting things is that when Mr. Finlay—

Interjection by an hon. member.

Mr. Lewis: —came to make his presentation—he said it two or three times at the inquest and I just want to put it on the record—he said:

> I also could not help but agonize more than just a little bit about the hundreds of kids who are still on our waiting lists at the doors of most of our treatment centres in this province, some of them hanging on for months because they are full to capacity, or other youngsters who have gone the route of training schools inappropriately and by default.

At the end of his testimony he said:

> But what about the older child, kids like Derek, for example? I can honestly say that the situation provincially, as far as this age group is concerned, 12 to 17, has never been more serious or more urgent than it is right now. I saw the handwriting on the wall as far back as 1970 when I took it upon myself to do a study of the files of the two local Children's Aid Societies and when I came up with 150 severely disturbed teenagers for whom absolutely no services were available I gave up in disgust. I found a state of relative ineptitude wherein two or three assessments were being completed on the same youngsters and everyone seemed to have a fair idea of what they needed but treatment programmes were either unavailable, inappropriate or non-existent. As far as I could see, I was looking at a situation in which we were doing little more than creating thicker files and sicker kids and we had no plan of battle.

And then Mr. Finlay, to be fair to him, said that they returned to square one and began to draw up this four-phase plan of battle with which the minister is familiar.

The whole inquest, Mr. Minister, triggered the interest of my caucus and myself, and I thought I should pursue it a little further. I met at some length with the leadership of the Toronto Children's Aid Society and the Catholic Children's Aid Society of Metropolitan Toronto. I sat with them each for some considerable period of time and I could not convey to you the kind of horror story which they gave to me about the shocking state of adolescent services in the metropolitan area —and, I believe it true to say, throughout the province.

At one point one of the senior workers for the Catholic Children's Aid Society burst out—and I took the words down as I sat and listened—"I have either to get on my knees, or I have to use methods that are appealing to the people who run the programmes. I can't just say this is what the kids need; I have to sell the kids."

What the leadership of the Children's Aid Societies were saying is that the situation is so desperate over facilities for dealing with the profoundly disturbed teenagers in the Province of Ontario—there are so few places, the pressures are so intense—that they have to engage in a kind of personally humiliating process of begging the treatment centres, the psychiatric hospitals, the various therapeutic settings, to provide some entry for the children before the lives of the children go down the drain.

It's interesting to note that in the case of the Catholic Children's Aid Society, over 60 per cent of admissions are now above the age of 12. The kids are more and more disturbed; they just can't cope; the facilities aren't there.

The Children's Mental Health Centres Act has provided for direct payment if the parent refers the child, and ironically that has created for the Children's Aid Societies an enormous problem, because the facilities aren't available to them.

The wariness of judges to circumvent section 8 of the Training Schools Act, while a positive thing, has again resulted in endless referrals to Children's Aid Societies and, indeed, to some of the treatment centres, because no longer will judges send kids of that age to training schools.

The pressures are positively explosive. The people to whom I spoke were positively frantic. Let me tell you about the Metro Children's Aid Society statistics. They have had a 50 per cent increase in the admission of adolescents in the last year. They are now receiving 30 children a month between the ages of 13 and 15—30 kids a month admitted between the ages of 13 to 15. Those are ricocheting figures. Those are figures which make everything previous pale by comparison.

And 73 per cent of those kids—83 per cent of them girls—have to go before IPAC. This is the agency set up by Dr. Naomi Rae-Grant and Doug Finlay—the Institutional Placement Action Committee—that central action committee to which all the most desperate referrals are made in an effort to find an appropriate treatment setting in the Province of Ontario.

Now, faced with the terrific difficulty in finding placements, the waiting lists of the agencies are growing. It's almost impossible to get a child into the first choice of treatment facility. They then issued an internal memorandum which I got my hands on, and I want to read it to you. It is dated July 9, 1974, and it is from Jean Ruse, supervisor of foster homefinding and placements at the Metro Toronto Children's Aid Society; and it is directed to Mr. Watson, the executive director.

> Purpose: To alert you to the critical situation which we now face with respect to admitting children.
>
> The situation: In the last year pressures on placement have been increasing steadily, but have been manageable thanks to the dedication and diligence of the staff. However, since April of this year, there has been a marked increase in admissions, a trend which appears to be continuing. This increase, coupled with the increasingly severe disturbance in our children, has created a virtually intolerable situation for placement. Our admission facilities are operating at maximum capacity and there is little hope of much movement in these resources in the near future. As a consequence of this, we have been placing difficult and disturbed children in regular foster homes. Even this undesirable practice is no longer available to us since we have filled and stretched the available foster homes beyond reasonable limits.
>
> It has become increasingly difficult to recruit foster homes of any sort, let alone those which can be developed to accept the type of problems we are pushing at them. Agency statistics, I am sure, reflect an increased turnover of children in care.

> Teenagers: A particular and most pressing problem is that of the teenage children who account for the greater part of this increase in admissions. Very few of these children can be managed in a foster home system, as it is presently organized and serviced and we depend almost entirely upon the hostels, the receiving centres. Horsham House and a couple of spaces in an admission group home.

Then they give the remarkable percentage increases.

> We can attest to the state of the children who come to our attention and the untoward effects of the inappropriate placements we are obliged to make. [She says:] Because of the pressures described and the teenage problem in particular, our placement workers are becoming quite desperate in their attempts to manage a situation which is fast getting beyond their ability to control.
>
> I know that in the normal course of events that this memo should go to someone else. However, the situation has deteriorated so rapidly that I did not think that I should wait for her return before alerting senior administration to this problem.

That's a memo dated July 9, 1974; by October, 1974, the situation was almost beyond repair.

I say to you, Mr. Minister—and I presume Doug Finlay can corroborate it—I am incapable, articulate though I am, of being able to convey to you how those senior staff people felt about what confronted them in the treatment of severely disturbed children in the adolescent category. I suppose what bothered them most is that there just seems to be no answer; absolutely no answer.

Most of the agencies are chock-a-block with kids. They have very fine selection and placement processes now. You just can't send any kid to any agency. All the agencies have intake policies which screen out kids with a lousy prognosis and take kids with a relatively good prognosis, perhaps so that they can be successful with them. Fair enough; but what happens to the severely disturbed kids who are presenting themselves now, month after month, at an accelerated rate?

I concede that the agency I know most about, although I think I know a good deal about many of them, is the Browndale agency, because of having worked with them some years ago. I asked them to prepare for me a kind of list of the kids who were waiting for admission, some sense of what it was that was wrong with them, and how long they had been on the lists. And they did that. As of Oct. 10, 1974, in this, the treatment centre which your government uses most fully for the treatment of disturbed kids, there were 96 children on the waiting list; 96 on Oct. 10, 1974.

Let me tell you something about these kids. Girls waiting for admission—a 14-year-old girl referred by the court clinic on May 3, 1973. Here is the description:

> In training school pending admission; immature; poor peer and school relations; runs away; drinking; truancy; very anxious and mistrustful; manipulative; 18 months on the waiting list.

A 14-year-old girl referred by the Children's Aid Society in Toronto in June of 1974:

> Cannot relate to mother and sisters; much tension at home leading to CAS care; impulsivity expressed mainly in sexual acting out; very much overweight; isolates herself from peers; withdrawn; lonely; angry; depressed; girl who cannot deal with her feelings but has a deep need to belong and be accepted; urgently needs help; five months on the waiting list.

Fourteen and one-half years of age, referred Nov. 7, 1973, again the Children's Aid Society:

> Very poor family relationships; runs away; lies; steals; sets people up to be angry at others or herself; can be assaultive; difficult to reach; anxious; needs close care; a year on the waiting list.

Another 14-year-old girl from the Catholic agency:

> One of nine of Toronto family; long-standing problems of truancy, sexual delinquency; easily angered; is well liked by peers; has made three suicide attempts, and needs help quickly; eight months on the waiting list.

A 15½-year-old girl, April 9, 1973 referred:

> Resentful; suspicious; aloof; sad; withdrawn; façade for strong hostility; physical fights with peers; scapegoated; twice took drug overdose; 18 months waiting.

I draw your attention to a 16-year-old girl, referred by the Children's Aid Society of Walkerton:

> An Indian girl from the reserve; in Children's Aid Society foster-home care one year; very introverted; shy and withdrawn; insecure and could develop into a suicidal reaction; 10 months on the waiting list.

The litany of boys, because they are frequently more aggressive in acting out, is even more stark, and in its own way more terrifying, in terms of what it implies. Here's a 13-year-old boy, referred by the Scarborough General Hospital, in my own area, in April, 1974:

> Parents in Scarborough can't manage him; in hospital for acute alcohol intoxication; has injected air into his tissues; suicidal; hostile and disruptive at home and school. Urgently needs help; from April to October still on the waiting list.

Now, it rings with every one, the truth that there's some kind of desperate roadblock in the treatment facilities for disturbed children who are adolescents. There is something profoundly wrong about it all. I don't know how it's allowed to happen.

I want to finish this up and come back and make a comment about the minister, which I hope he appreciates, at the end. I don't know how this is allowed to happen. I suppose the reasons are many; none of them are tolerable. There is instituted now by your ministry the four-phase system. It's a first-rate idea. It's proceeding too slowly. It's proceeding too slowly because it doesn't yet have the kind of support it must have. I plead with you to give to that system, which moves from the preventive moment to the crisis intervention, every conceivable government support around, because we are losing these kids in the process.

We are losing lives, you know. I don't know how else to put it. It's kind of wanton. The adaptations which we made for children under the ages of 10 or 11, which aren't bad in the Province of Ontario now, that you can talk about with some pride, and I concede it to you, those accommodations, those adaptations, have not occurred for the adolescent community. The adolescent community is driven to the wall and there are no alternatives for them.

We have had much discussion of shifts in importance within ministries. I beg of you to consider the matter of mental health for adolescents as important an item in your ministry as the controversy over the denturists, or the controversy over acupuncture, or any of the other major issues of the day, because in human dimensions it is, of course, as I know the minister concedes, every bit as vital.

There is a controversy now about community-based treatment. One of the members of the government, the member for St. David (Mrs. Scrivener), has trouble with community-based treatment. Let me say, as one member of the opposition, and I think it is embraced by many members of the opposition, that community-based treatment is the answer to this predicament, that you can't rely forever on the medical models, that you don't fight community-based treatment, that this is the way you expand facilities and provide a therapeutic environment where kids can be treated successfully. Any member of the Legislature or any medical discipline perverse enough to resist that kind of direction doesn't understand the damage that's being done to adolescents by the inadequacy of the treatment facilities which now exist.

We railed a thousand times over that to place kids in a setting in the community can work, and it's the easiest and least expensive way to treat them; which brings me to the third point I wanted to make, and that's about money. I think your ministry needs a serious evaluation of the settings. I don't care which one; I hold no brief for any. I know that the ranges move from $50 a day to, I understand—and it absolutely flummoxes me—$130 a day in Thistletown.

I don't know what they do in Thistletown for $130 a day. It must be some pretty high-class therapy and I hope it works, but I think it is worth an evaluation on the part of your ministry because of the necessarily high costs of treatment. Even the Children's Aid Society receiving homes are costing between $73 and $78 a day. CPRI, I gather, is $92 to $93 a day, and most of the treatment centres on the list which you read to the Legislature range from $40 a day to $92 a day.

If we are paying that much money for treatment, surely we should get, by way of a return, a facility which responds sensitively and wholly to the adolescent, and what Derek Halanen showed, and what the case histories of so many children show, is that that is simply not happening in one or two of the agencies. I don't know how I can get this in, but let me give you, from the files of the Children's Aid Society, one or two of these case histories. I just want the full problem to be put rather better than I can put it verbally.

Let's take the case of a girl I'll name Carol, aged 13. These are Metro Children's Aid Society cases. She was born of a mixed racial relationship back in 1961, and I won't discuss any of the content of that except to say that it made life very difficult for her.

Carol's behaviour became more and more hostile after age 10—I'm just taking a précis of the file. Before she was admitted to Children's Aid Society care there was one fairly serious suicide attempt. Her rampages became more and more frequent and she threatened to kill her older sister when she was 11. On the eve of her 12th birthday, in July, 1973, she was admitted into the care of Children's Aid Society at the request of the mother.

From July, 1973, to September, 1973, she was in one of the Children's Aid Society hostels on a temporary basis until a suitable placement could be found. In September, 1973, she attacked one of the hostel staff members and appeared in juvenile court on a charge of assault. She was found guilty and placed in the 311 Jarvis St. detention home. It was ironic, because the day before a Children's Aid Society psychiatrist had written to Thistletown stating that if Carol was not admitted she would become a threat both to herself and others.

From the beginning of September to the end of September, 1973, she was kept in the detention home for 10 days or so while the Children's Aid Society was to find a suitable placement. The Children's Aid Society felt that Thistletown would be an appropriate placement before this incident and she had been assessed there. After the charge the Children's Aid Society attempted to pressure Thistletown into accepting her immediately. Thistletown refused, saying that their open setting was not appropriate, given her hostility, but they would consider taking her after a stay in a training school, which they considered appropriate.

Children's Aid Society then approached the Hincks, who had no in-patient facilities for under 13s and said they were full anyway; CPRI in London, who refused but said they would assess her; Sunnybrook, who do not admit subteens; and, finally, Whitby, who could not admit her for three weeks and then only under the condition that Thistletown would admit her when a vacancy came up.

At the end of September, after three suicide attempts and an assessment by a court psychiatrist who said that a closed institution such as a training school would merely increase her hostility toward white society, the Children's Aid Society wrote to Naomi Grant asking assistance, but no placement could be found. At the end of that month in September, 1973, she was carted off to the Oakville regional assessment centre. She remained there for a year. She received little or no treatment. She is now at home. She's one year older, more hostile, more manipulative. The Children's Aid Society is back at exactly the same place they were a year ago and don't know how to cope, because there isn't a setting in the province that is adequate.

I wanted to read some other case histories that made the point rather vividly, but obviously I haven't got the time. The truth is that for these children who are being shuffled from one possible institutional placement to another, the door is invariably closed when they get there, the opportunities for admission restricted, and the sense of panic felt on the part of the societies and the children ever increasing. And I don't think that it has to be.

The situation goes from bad to worse, Mr. Minister. There are now literally hundreds of kids—one might say even some thousands of children—in the adolescent category for whom services cannot be found, for whom the description by the Children's Aid Society's workers is valid.

Somehow the government has to be persuaded to reorder its priorities. Somehow the amount of money we spend on a Krauss-Maffei is obscene compared to the amount of money we can't find for situations like this. Somehow the amount of money we spend on government buildings makes no sense when you're dealing with human beings. Somehow the $1 billion for a pipeline to choke Metropolitan Toronto with another million people makes little sense when there are 10-, 11-, 12-, 13- and 14-year-old kids who cannot find an appropriate treatment setting in Ontario. There's just a total perversion of social values involved. I don't understand it; it's nuts and it's totally to be rejected.

Now, this minister has been fighting very hard for a change. I feel kind of chagrined that I direct this frenetic heat at him when his predecessors were so much slower to adapt. If you want to defend them, that's up to you; I hold no brief for them. It's been 10 years that we've been wrestling with mental health and it was only when the children's mental health services division came into being that we finally made some progress.

I must say that many of your predecessors were shockingly indifferent to the scale of mental illness and emotional disturbance in the province, for kids. Progress was always made under pressure rather than voluntarily.

I guess what I'm saying to you now is not to allow any of your colleagues or some of the back-benchers, whose motives are odd at times, to interfere with your determination to set up programmes which will work, to give to the children's services branch every conceivable support, to try to arrange through Mrs. Birch and Mr. Brunelle the kind of support for the Children's Aid Societies which is not now there, somehow to relieve the strain; or we are going to have catastrophic occurrences here and there in Ontario, because there is simply no outlet for the rage and anxiety of the kids whom the Children's Aid Societies themselves indicate are in absolutely inappropriate settings. There were 30 a month admitted in Metro Toronto in the one society alone.

I told you that I wanted to put it on the record and I have done so. I don't know where one goes from here except to reorder the priorities of the ministry and of the government, and to give to the children's services branch every penny they need, every support they need, all the staff training they need, and all the experimentation and evaluation they need, because what was said on the witness stand at that inquest is an indictment of what the government has been unable to do over the last three or four years for adolescents.

What the Children's Aid Society memos say is an indictment, and what is happening to those kids stands as a silent and sometimes quite explicit indictment that somewhere something has to alter and clearly. If anyone can do it, I suspect it is this minister who will do it and that's why I rather chaotically and speedily place it all before him.

Mr. Chairman: The hon. member for Parkdale.

Mr. J. Dukszta (Parkdale): I have a couple of questions of the minister. What I wanted to ask you was a question of voting rights for the psychiatric patients in our institutions of Ontario, to ask whether there is any proposal on your part to change the legislation and allow people who are there on an involuntary basis to be able to vote just as much as people who are there voluntarily.

Mr. Chairman: Would you like to ask both questions at this time and the minister can answer both of them when he replies?

Mr. Dukszta: Yes, Mr. Chairman. The second question is, what happened to the legal aid programme in psychiatric hospitals? This was promised about a year and a half ago. Have you now tried to implement it or how soon will you implement it?

Hon. Mr. Miller: On the first issue, I will be glad to look at it. It is not my ministry that would make that decision. I understand they have the right to vote federally but not provincially, if I have my facts straight.

On the second issue, the answer is within two weeks.

Mr. Dukszta: It is your responsibility on the first one. There is a memo from Mr. Maynard on it and originally a memo from Dr. Ives. It is your responsibility.

Mr. Chairman: Is item 4 carried?

Mr. Dukszta: Oh, excuse me, you didn't answer the second.

Hon. Mr. Miller: I said "within two weeks."

Mr. Breithaupt: Mr. Chairman, I think there may be more speakers who would wish to involve themselves on this, if it should happen that we have additional time and the Education estimates are dealt with in less than the 10 hours that we had allocated to them. Accordingly, Mr. Chairman, I would think it would be well if the committee rose without formally carrying this vote, so that if we did have the opportunity we could return to it.

Mr. Chairman: That sounds reasonable.

Hon. Mr. Winkler: Mr. Chairman, I think I can respond to that. If such a situation exists, we would be very amenable to the suggestion.

Hon. Mr. Winkler moves the committee rise and report.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report progress and asks for leave to sit again.

Report agreed to.

Hon. E. A. Winkler (Chairman, Management Board): Mr. Speaker, before I move the adjournment of the House I would like to inform the House that on Thursday the first item of business we will deal with is item 4, government notice of motion,

standing in the name of the Treasurer (Mr. White), before we proceed to the consideration of the estimates of the Ministry of Education.

I must also inform the House that at this particular moment I haven't been in touch with the Minister of Transportation and Communications (Mr. Rhodes). I am not sure what will happen in that committee on Thursday but I will be pleased to inform the other parties before that time.

Mr. D. M. Deacon (York Centre): He told us he would be back.

Hon. Mr. Winkler: Don't bet your life on that.

Hon. Mr. Winkler moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10:30 o'clock, p.m.

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OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Ninth Legislature

Thursday, November 7, 1974

Afternoon Session

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

THE QUEEN'S PRINTER
PARLIAMENT BUILDINGS, TORONTO
1974

10

Price per session, $10.00. Address, Clerk of the House, Parliament Bldgs., Toronto

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, NOVEMBER 7, 1974

The House met at 2 o'clock, p.m.

Prayers.

Mr. Speaker: I am sure that the House will wish to welcome the 1974 parliamentary interns, who are sitting in my gallery. The interns work with members of the House of Commons of Canada for a period of one year under a programme financed by a group of Canadian insurance companies and supported by the Canadian Political Science Association. I am grateful to those hon. members of our Legislature who have met with the interns during this week, and I am sure all hon. members will join with me in wishing them a pleasant and interesting stay at Queen's Park.

Hon. T. L. Wells (Minister of Education): Mr. Speaker, I would like to introduce to the House, and have the House welcome, 30 members of the Chartland Community School Association from Agincourt who are sitting in the west gallery.

Mr. Speaker: The hon. member for High Park.

Mr. M. Shulman (High Park): On a question of privilege, Mr. Speaker: Within the Ministry of Government Services is a department, one of whose functions is to fix tickets for diplomatic personnel. Last week I received a complaint that persons other than diplomats had availed themselves of this service. In order to determine the truth of this allegation, I requested a list of those persons who had had tickets fixed by the ministry this year. Yesterday, sir, I was phoned by Mr. Borosa of the ministry's office and told that this list was privileged and would not be given out.

I submit to you, sir, that if this government maintains a department to fix tickets for anyone, diplomats or others, the details of who is benefiting cannot be kept secret, and this attempt to do so is a breach of privilege.

Mr. J. H. Jessiman: Turned him down again.

Mr. Speaker: I am not sure what kind of tickets the member was referring to, and I am not sure that any privilege of members of this House, either individually or collectively have been trespassed, but I will consider the matter and report back.

Mr. Speaker: The member for St. George.

Mrs. M. Campbell (St. George): Mr. Speaker, it is my pleasure to introduce to the members of this House a group of Grade 12 students from Jarvis Collegiate, who are studying world politics. They are here with their teacher, Mrs. M. Harrison, and I would ask you to join with me in welcoming them to this House.

Mr. Speaker: Statements by the ministry.

POLICY ON RECREATIONAL TRAILS AND SNOWMOBILE REGULATION

Hon. A. Grossman (Provincial Secretary for Resources Development): Mr. Speaker, I would like to announce a major government policy of direct interest to the people of Ontario who enjoy such outdoor sports and recreational activities as snowmobiling, cross-country skiing, horseback riding, hiking and trailbike riding.

Mr. R. F. Nixon (Leader of the Opposition): How about mercury pollution? Isn't the minister going to make a statement about that?

Hon. Mr. Grossman: The government will establish an extensive network of recreational trails throughout the province. In some cases, these trails will be restricted to a specific use—to separate snowmobiling from cross-country skiing, for example, or hiking from bike riding. In other cases, trails will be identified for multiple use where the enjoyment of these lands by different groups is compatible.

The government will also establish a trails council to assist in the development of a complete trails system. This council will consist of representatives from various recreational organizations, outdoor sports groups, conservationists, farmers and other interested bodies.

The trails council will report to the Minister of Natural Resources. The initial task of the council will be an inventory of exist-

ing trails and recommendations on the development of a broader trail network. The council will also be asked to make proposals on how it believes our trails policy should be embodied in appropriate legislation.

There are many other responsibilities that will be, or could be, assigned to the trails council, such as advising the minister on the needs of those enjoying the trail system and those who may be concerned about possible adverse effects of new trails. This, I might add Mr. Speaker, is why the presence of farmers and conservationists is important on the council's membership. The trails council will also have an opportunity to advise financing the maintenance and enlargement of the trails programme—through, for example, grants, user-fees, private donations and other means of generating capital and operating funds.

The proposed trails council will not, unfortunately, be in a position to make recommendations on the establishment of snowmobile trails for this winter. However, Mr. Speaker, the government does intend to start work immediately on this urgent aspect of the trails programme.

The Ministry of Natural Resources, through its 48 district offices, is now drawing up a complete inventory of existing snowmobile trails throughout Ontario. The ministry will map trail routes and, during the winter, will identify and help maintain such routes by packing the snow with grooming machines. It is hoped, Mr. Speaker, that snowmobile clubs will be able to assist the ministry in this work. We actively seek their co-operation and I invite interested groups to contact the nearest district office of the ministry.

In proceeding with this task, we also intend to protect the rights of farmers and other property owners who have, in past winters, complained about irresponsible snowmobilers trespassing on and damaging their property. Consequently, this session the government will introduce amendments to the Motorized Snow Vehicles Act dealing with trespass and liability.

First, sir, let me deal briefly with the issue of trespassing. The government has reviewed the recommendations made by the select committee on motorized snow vehicles and all-terrain vehicles. In this respect, we will implement recommendations 33 to 35 of that interim report. This legislation will require the operator of a snowmobile to obtain written permission from the owner or occupier of private property before he enters that property. Failure to obtain written permission will represent a provincial offence of trespass in the absence of any lawful excuse. Upon the request of the property owner or occupier, the snowmobile operator will be required to stop, identify himself and produce the written permission to cross that property. Where a complaint of trespass is made, the Crown will assume responsibility for investigation and prosecution.

We are also concerned about the issue of liability where a trespassing snowmobile operator causes damage to private property or sustains injury. Following the Supreme Court of Canada decision on the Veinot vs. Kerr-Addison Mines Ltd. case, we have received many requests for clarification on the responsibilities of private property owners and occupiers. I'm sure, sir, hon. members will agree that a property owner should not be liable for injuries sustained by a trespasser, provided, of course, the property owner does not wilfully or maliciously plan to injure the trespasser. Therefore, legislation will be enacted which will ensure that the property owner or occupier is not liable for injury to a snowmobiler who is a trespasser, except for wilful or malicious injury.

In addition, we will enact legislation in accordance with recommendations 36 and 37 of the select committee report. This will ensure that, where the property owner or occupier has given written permission to the snowmobiler to be on the property, the property owner or occupier would be liable only if wilful or malicious harm can be established. It will also ensure that the owner and operator of a snowmobile both will be liable for damage resulting from the operation of a snowmobile; except in the event that the operator uses the snowmobile without the owner's consent, when only the operator is liable.

Mr. Speaker, the emphasis on winter trails by no means represents the government's complete response to the select committee's recommendations. We are only dealing with snowmobiles and the related matters of trespass and occupier liability at this time. The trails programme represents a major government initiative that will bring considerable benefits to the thousands of Ontarians who enjoy outdoor activities in all seasons. Once the trails council has been appointed and has had an opportunity to make further recommendations, appropriate omnibus legislation will be brought before this House to refine and expand the complete trails programme.

Interjections by hon. members.

Mr. Speaker: Order, please.

ELIGIBILITY OF TEACHERS TO SERVE ON MUNICIPAL COUNCILS

Hon. Mr. Wells: Mr. Speaker, it has been drawn to my attention that there are concerns by some teachers respecting the application of section 36 of the Municipal Act as it applies to teachers and school board employees and their right to run for and sit on municipal councils. I would just like to say, Mr. Speaker, that it was and is the intention of the government that teachers should be free to run for office and sit as members of municipal councils without resigning their positions as teachers. This was the intention and, in view of the concern now expressed, and I might say some legal opinions that suggest the contrary to this policy, the government will introduce an amendment to section 36 of the Municipal Act to make it absolutely clear that a teacher may sit on a municipal council without having to resign or without having to take leave of absence. This will be made retroactive to reassure those who have already undertaken this public responsibility.

Interjection by an hon. member.

Mr. E. W. Martel (Sudbury East): Back as far as 1967?

HIGHWAY 404

Hon. J. R. Rhodes (Minister of Transportation and Communications): Mr. Speaker, in April, 1973, the ministry announced its intention to construct Highway 404 as an extension of the Don Valley Parkway from Sheppard Ave. to Newmarket by constructing the first stage of an ultimate freeway as a four-lane arterial road within Metropolitan Toronto northerly to Steeles Ave., reducing to two lanes on the Highway 404 alignment to Newmarket.

Subsequently, design plans were developed with advice and co-operation from the regional municipality of York, Metropolitan Toronto and the borough of North York. While the first stage of construction was based upon the need to provide much-needed early relief to traffic problems within the financial constraints and priorities existing at that time, subsequent analysis has shown that appropriate relief to the growing traffic in this corridor can only be met by a major upgrading of the staging proposals.

Mr. V. M. Singer (Downsview): Oh dear. Fascinating how it can be done in the east side and not the west side.

Hon. Mr. Rhodes: In light of the current and anticipated rate of development and resulting revised traffic demands, it is now the ministry's intention to construct a six-lane freeway within Metropolitan Toronto from Sheppard Ave. to Steeles Ave., reducing to four lanes on the Highway 404 alignment between Steeles Ave. and Newmarket. While it is realized that about one year of delay will now be experienced in the start of construction, this decision will, I am sure, be to the benefit of present and future residents of the area.

Interjections by hon. members.

Mr. Speaker: Order please.

Mr. S. Lewis (Scarborough West): How come the minister's announcements parallel those of the redistribution commission?

Mr. Speaker: Will the hon. members please restrain themselves? Order please. The hon. Treasurer has a statement.

ONTARIO LAND CORP.

Hon. J. White (Treasurer, Minister of Intergovernmental Affairs): Mr. Speaker, at the appropriate time in today's proceedings, I shall introduce a bill to establish the Ontario Land Corp.

An hon. member: About time.

Hon. Mr. White: Because the success of this new agency will be reflected in the development of our province in the years ahead, I should like to tell the House how it will be organized and what it will do.

Members will recall that the OLC originated with the budget last spring. Since then, it has been examined in detail by several of my colleagues and the staff of the ministries which will participate in it.

To consider some choices for the financing, corporate structure and the role of OLC, I met last June with the Investment Dealers' Association of Canada and representatives of financial institutions with development experience. I asked them for comments and suggestions, and I am grateful for the great amount of thought and effort they gave to this project.

I also discussed the OLC idea in detail with municipal representatives at our last two

meetings with the Municipal Liaison Committee. Such consultation, Mr. Speaker, was not only useful but essential from our standpoint, because the success of the Ontario Land Corp. will depend in large measure on the support and co-operation of the municipalities in which it will be operating.

Mr. E. Sargent (Grey-Bruce): This is the La Scala restaurant report.

Hon. Mr. White: No, in fact it isn't.

As members will see from the bill, the Ontario Land Corp. will have three principal functions. It will finance the assembly of land for new towns and industrial parks, and it will finance certain forms of government accommodation involving leasebacks. But the OLC will not develop or hold in perpetuity the land it assembles. Instead, it will turn the assembled land over to a special project corporation, which in each case will report to the appropriate ministry. For instance, land for a new residential town would likely be turned over to a special project corporation reporting to the Ministry of Housing, land for a new industrial park would be turned over to a special project corporation reporting to the Ministry of Industry and Tourism, and so on.

Each project corporation will be set up to manage the development of a specific project and the private sector will participate fully in every phase including the planning, development and construction as well as in the ownership, rental and leasing of the developed properties.

I must emphasize that the relationship between these government agencies, municipalities and the private sector will be one of co-operation. The OLC will initiate new towns and industrial parks in parts of the province where the private sector is unlikely to venture on its own. These projects will also involve financial commitments of such size and duration that the private sector would probably find them unattractive.

Members from eastern, northeastern and northwestern Ontario will be particularly interested to know that the OLC will lend money to municipalities or their agencies to jointly develop provincial-municipal industrial parks to help attract industry in parts of Ontario where additional economic growth is desired.

At the same time we will ensure that the corporation takes special measures to ensure that all usable farmland which it holds is kept in continuous food production as long as possible. My colleague, the Minister of Agriculture and Food (Mr. Stewart), will be assisting the corporation to do this.

Initially, the OLC will be financed by the province, but will borrow on its own account as soon as the necessary arrangements are concluded. There will be no equity shares. In return for the lands it turns over to project corporations, the OLC will take back mortgages.

The OLC will not hold land in perpetuity and will therefore not duplicate or intrude upon the functions of such land-holding ministries as Transportation and Communications, and Natural Resources.

As a corporation, the OLC will combine government backing with private-sector initiative. The OLC's board of directors may include one or more persons from the government, but most if not all of the corporation's directors will be drawn from the private sector, as will the management and staff. In this way the OLC will have flexibility enabling it to expand or decrease its staff, as its needs vary.

Mr. Speaker, those are the features of the Ontario Land Corp. which I thought would be of interest to the members at this time.

The Ontario Land Corp. has great potential to carry forward the government's long-range plans for the social and economic development of Ontario, and I am confident that it will have the enthusiastic support of all members of the House.

Mr. Speaker: Oral questions.

MERCURY POLLUTION

Mr. R. F. Nixon: Mr. Speaker, I would like to ask of the Premier if he has informed himself as to the situation alleged in a CBC programme last night, known as "As It Happens," which stated that certain reports, federal and provincial, pertaining to mercury pollution puroblems in the Grassy Narrows-Whitedog Indian reserve areas of northwestern Ontario have not been made public and, in fact, information from this province has unaccountably been incomplete in this regard?

Can he give any further information to the House in this extremely serious matter pertaining to the health and livelihood of these communities?

Hon. W. G. Davis (Premier): Mr. Speaker,

I am not aware of it, but I would suggest that if the Leader of the Opposition might like to ask the Minister of Natural Resources (Mr. Bernier), the Minister of Health and the Minister of the Environment (Mr. W. Newman) they may have replies.

Mr. R. F. Nixon: Precisely what I have in mind.

Hon. Mr. Davis: Well—

Mr. R. F. Nixon: Having spoken to the head of the government, I would now ask of the Minister of Health if he is aware of any reports that have not been made public which have a bearing on the allegations made in this programme? They were very serious allegations, which indicate that the health and the welfare of the Indian communities at Whitedog and Grassy Narrows have not been properly looked after by this ministry and others?

Hon. F. S. Miller (Minister of Health): Mr. Speaker, to the best of my knowledge there may be a federal report that's not public. I have the latest provincial report, which was issued, I think, by my predecessor and released in the House April 18, 1973—the fourth report of the mercury task force, with a summary of previous reports.

Now there were no other formal reports. There are working documents within ministries, I assume, but I know of no working document that even specifically relates to that area. I know of at least one that relates to health problems related to mercury, for example, but not one that deals with the Wabigoon or English River type of system.

Mr. R. F. Nixon: Supplementary: Is the minister, then, unable to indicate to the House why this programme and the researchers reporting through it, would indicate that information from Ontario was unaccountably impeded?

Mr. L. C. Henderson (Lambton): Bunch of Liberals!

Mr. R. F. Nixon: Almost everybody is.

Hon. Mr. Miller: As a matter of fact, I have a letter, Mr. Speaker—

Interjections by hon. members.

Mr. Speaker: Order please.

Hon. Mr. Miller: I have a letter from the federal people saying just the opposite; that in fact they appreciated the co-operation of my ministry in handing them information.

Mr. R. F. Nixon: Would you permit a further supplementary, Mr. Speaker? Can the minister then assure the House that the implications in the programme, which indicate there is a serious and continuing threat to the health of the Indian communities, are in error?

Hon. Mr. Miller: No, Mr. Speaker, I wouldn't go so far, because I am concerned and we have been concerned about the threat to the health of the Indian people from mercury.

Mr. R. F. Nixon: In two years what has the government done?

Hon. Mr. Miller: We have done quite a bit. We have had three different test surveys done of blood mercury levels and hair mercury levels of residents in that area. The fourth will be underway as soon as we can get permission, because we have to have the permission of the Indians involved. The health of those people has been accepted as a responsibility of the federal government by the federal government.

Mr. Henderson: How about that?

Mr. R. F. Nixon: Who was responsible for the mercury?

Hon. Mr. Miller: In spite of that responsibility, we volunteered; we didn't even wait for the Indians to ask us. We have asked them for permission to carry on with our surveys. The Grassy Narrows group have given us that permission. The Whitedog groups have not, to this point in time, given it to us. I can read the member reports of the last three surveys if he wishes, but the basis—

Mr. R. F. Nixon: We'd like them tabled by the minister.

Mr. Henderson: The Leader of the Opposition will get them.

Mr. R. F. Nixon: Has the member for Lambton been out to lunch again?

Hon. Mr. Miller: But the basis is this: That we have set, arbitrarily, 100 parts per billion as the maximum level of methyl mercury we would like to have in the blood of a human being. That's based on this assumption: The lowest level that we've ever been able to assume affected the health of a human being was 200 parts per billion of methyl mercury. That was found in one person in Japan, by what we call extrapolation, not by actual tests, at a time when testing procedures were not particularly accurate for methyl mercury.

They are now much more accurate, they now have a plus or minus five accuracy, I'm told.

However, records show that even four to five times our standard are still safe levels. Nevertheless, if we find somebody with 100 parts per billion we refer them to the federal health agencies for treatment or examination. The last time we carried out a survey, six people, I understand, were found to be in excess of this 100. They were all Indians, I am told. They were taken to Winnipeg by the federal people, thoroughly tested and returned; it was stated that there was no clinical evidence of any illness.

Mr. Speaker: Does the member for Scarborough West have a supplementary?

Mr. Lewis: A supplementary, Mr. Speaker: May I ask the Minister of Health, does he or does he not have in his possession a report dated Feb. 18, 1972, and entitled, "The Public Health Significance of Methyl Mercury," put out by the environmental health services branch, public health division, Ministry of Health, which contains the observation that mercury levels of fish in the Wabigoon and English River systems are the highest recorded in North America and comparable to Japan? If there is such a report, why is that report not a public document?

Hon. Mr. Miller: First of all, that is the working document I referred to, and I said there were some working documents in my possession.

Some hon. members: Oh, oh.

Mr. Speaker: Order, please.

Mr. Lewis: A working document? I see. Everything is suppressed around here under the title of working documents.

Hon. Mr. Miller: It was not suppressed in any sense at all.

Mr. Lewis: It wasn't? Where is it?

Hon. Mr. Miller: I have it right here in my hand at this moment.

Mr. Singer: Will the minister table it?

Interjections by hon. members.

Mr. Speaker: Order, please.

Hon. Mr. Miller: I see no reason why this can't be tabled.

Mr. Lewis: Put it on the table in this House.

Mr. Singer: Put it on the table now.

Hon. Mr. Miller: I will, without any question, because I don't see any incriminating evidence in here of the indication—

Mr. J. E. Stokes (Thunder Bay): Why not tell the people of Grassy Narrows that?

Hon. L. Bernier (Minister of Natural Resources): They have been told.

Hon. Mr. Miller: We have been telling them that—and the hon. member knows that.

An hon. member: The minister is desperate.

Mr. Lewis: A supplementary: When the minister has a document that contains that kind of information which relates directly to the actual or potential health hazards of all of those who consume fish in the Grassy Narrows and Whitedog reserve areas, how dare he not bring it to public attention for more than 2½ years?

Interjections by hon. members.

Mr. Speaker: Order, please.

Mr. Lewis: No, seriously, how does he keep it in hiding for 2½ years?

Mr. Speaker: Order, please.

Hon. Mr. Miller: The hon. member knows that kind of implication is incorrect.

Mr. Lewis: The task force report didn't give the working papers.

Hon. Mr. Miller: That was the purpose of that report the member got in April.

Mr. Speaker: Order, please. I would ask the hon. members to please refrain from interjecting when somebody is talking. A final supplementary by the hon. member for Downsview.

Mr. Singer: Thank you, Mr. Speaker. Could the minister advise whether any testing has been done, particularly on younger persons, to ascertain tunnel vision, deafness and the other classic symptoms of mercury poisoning; the extent to which those statistics have been gathered; and whether the minister is aware of the fact that the mercury poisoning incident in Japan has caused at least 100 deaths up to this point?

Hon. Mr. Miller: First of all, Mr. Speaker, that is exactly what we do with the people whose mercury levels are found to be high. They have been tested by the federal people at that point. Our function, and I would say

our duty has been to assist in the testing programme. However, we have been told that it is a federal responsibility to look after the health of those people. We have been told that.

Mr. Lewis: It's nice that health is jurisdictional!

Hon. Mr. Miller: Look, I don't agree that it should be jurisdictional, and I happen to be telling the federal government that.

An hon. member: Do something!

Interjections by hon. members.

Mr. Speaker: Order, please.

Hon. Mr. Miller: But the fact remains—

Mr. Speaker: Order, please. The hon. minister will please reply to the supplementary and not to further interjections.

Hon. Mr. Miller: We have been told, "Thanks, but no thanks. If you tell us they are high, we will look after them."

Mr. R. F. Nixon: I have a further supplementary.

Mr. Stokes: Supplementary.

Mr. Speaker: No. There have been enough supplementaries.

Mr. Stokes: This is a very important matter. You are going to hog-tie us by not allowing us to bring information before the House. You are stifling the House.

Mr. Speaker: Order, please. It is rapidly developing into a debate. To even the thing up, I will allow one more supplementary by the hon. member for Thunder Bay.

Mr. Stokes: Thank you, Mr. Speaker. Is the Minister of Health aware that there was a recommendation from a coroner's jury that a post-mortem should be carried out in any case of death in the Whitedog and Grassy Narrows area where there is any indication of depression? What happened to that recommendation, which his ministry should be so concerned about?

Hon. Mr. Miller: First of all, Mr. Speaker, I am not aware of that coroner's recommendation. I will look into it. I can only tell the hon. member I am basing these facts not on findings made by doctors whom he might claim were under the control of the Ministry of Health of Ontario, but on findings of doctors who work under the control of the federal government, who have assured us there were no symptoms in the people they have tested.

Mr. Speaker: Does the Leader of the Opposition have further questions?

Mr. R. F. Nixon: I have a question of the Minister of Health on a similar subject. How can the minister tell the House that in his opinion certain federal documents might not have been made public, but the Province of Ontario has made public all the information, when in the next breath he refers to a special working document which is not made public—

Mr. Lewis: And he wouldn't have.

Mr. Speaker: Order, please.

Mr. R. F. Nixon: —and which contains the incriminating information that was referred to in that report?

Mr. Lewis: And he didn't intend to make it public.

Mr. R. F. Nixon: How dare he treat the House that way?

Interjections by hon. members.

Mr. Speaker: Order, please.

Mr. Lewis: As a matter of fact, the way the ministers of the government behave in this Legislature is one of the reasons they are losing Carleton East today. It is the arrogant way they deal with these problems.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): We will see about that tomorrow morning.

Mr. Speaker: Order. Order, please. The hon. Leader of the Opposition will please refrain—

Interjections by hon. members.

Mr. Speaker: Order, please. May I remind the members this is a question period. An editorial comment is not really in order. Does the hon. minister have an answer?

Hon. Mr. Miller: Perhaps not a reply, but I have a pill for the red colour of the member's face which will cut down his blood pressure.

Interjections by hon. members.

Mr. R. F. Nixon: I hope that round of applause from the minister's sycophantic sup-

porters is sufficient to run him through the day.

Interjections by hon. members.

Mr. Speaker: Order please. Does the hon. Leader of the Opposition have further questions?

Mr. Lewis: The minister is contaminating everybody around here. That is pollution.

Interjections by hon. members.

Mr. Speaker: Order please.

Interjections by hon. members.

Mr. Speaker: Order please. I would ask you to please respect the request for order from the Chair. Does the hon. Leader of the Opposition have a further question?

KRAUSS-MAFFEI SYSTEM

Mr. R. F. Nixon: I would like to direct a question to the Minister of Transportation and Communications. Would he report to the House on the status of the Krauss-Maffei project? Are the problems with getting that train to go around a curve simply superficial —similar to the blowing of a fuse, I think was the phrase used by one of his officials— or does it have any far-reaching implications, with the expenditure of the $30 million already committed, for running the test train on the test track in time for the test election?

Hon. Mr. Davis: It will be a test election.

Mr. R. F. Nixon: That is tonight.

Hon. Mr. Rhodes: Mr. Speaker, first of all, as to the comparison with the blowing of the tires to the blowing of a fuse, it seems to me there seem to be some fuses blown over there in the last few minutes.

Interjections by hon. members.

Mr. Lewis: Boy, is the minister in trouble! Maybe he can run the Krauss-Maffei in a straight line.

Interjections by hon. members.

Mr. Speaker: Order, please.

Hon. Mr. Rhodes: Mr. Speaker, my information is, I think, the same as the hon. member has. It is identical to that which I provided the House in answer to a question from the Leader of the Opposition as to why the trip had been cancelled for local people, local politicians and reporters, to go over to view this. I am not going to pretend to go into the technical problems because I'm not competent to talk about them technically. I can only say my information is that there is a problem with the magnet, that there is a sensor that is giving problems and that in order to make sure this is working properly there will be more testing done in an attempt to overcome that particular problem.

Hon. Mr. Grossman: That's why there's a test.

Hon. Mr. Rhodes: I think the hon. Leader of the Opposition fully realizes, and has realized from the very beginning, that this is a research and development programme. It's innovative. It's brand new. These sorts of problems are bound to develop and will have to be overcome by the engineers who are working on them.

Mr. R. F. Nixon: A supplementary: Is the minister aware of a report—I think it was in the Financial Post in the second to last issue—that indicated that the Krauss-Maffei test trains are all going to have to have wheels on them, except for the one developed for Ontario because we've got so much power here that we are not going to need any wheels on our trains?

Hon. Mr. Rhodes: Mr. Speaker, I don't read the Financial Post very often because I have given up any holdings I might have had; so I have no interest in it.

Mr. R. F. Nixon: The minister should.

Hon. Mr. Rhodes: I'm aware of that particular article. What I can say to the member is that I think it's common knowledge around the world that the Krauss-Maffei company have been making wheel trains for years. That's been their major project. Whether they're putting wheels on this one or not, I don't know.

Mr. R. F. Nixon: A supplementary: Is the minister giving any consideration to stopping further expenditure until the test train over in Germany can at least go around a curve?

Hon. Mr. Rhodes: Mr. Speaker, I will repeat what I have said earlier in this House and outside of this House.

Mr. Lewis: It will go around the track even if the Provincial Secretary for Resources Development has to pull it.

Mr. I. Deans (Wentworth): It will then be called the mule train.

Mr. Lewis: The donkey express, I imagine.

Hon. Mr. Rhodes: I have said all along that I was reviewing all expenditures. I will continue to do so and I will be prepared to have a total assessment of that project when the final tenders have to be called, which will be for the maintenance building on the TDS. I said all along that I would report back with complete information on the project.

Mr. Speaker: The member for Sandwich-Riverside has a supplementary.

Mr. F. A. Burr (Sandwich-Riverside): Mr. Speaker, a supplementary: In view of the continuing difficulties that the Leader of the Opposition has referred to, will the ministry now fulfill its promise of about a year and a half ago to visit inventor Kenneth Crowder of Pontiac, Mich. and take a really good look at the much less expensive Insta Glide monorail system?

Hon. Mr. Rhodes: Mr. Speaker, I did not make such a commitment, but I agree the ministry may have made one. I can only say to the member that I would hope we would investigate all possible modes of intermediate capacity. I think the people who have been working on these various projects and looking into the various developments are aware of the capabilities and the possibilities of the monorail systems. I'm not specifically aware of the one from Pontiac, Mich., but there are at least two companies in Canada which have been promoting the use of monorails. So we could certainly, I would hope, look at all of the possible modes.

Mr. Burr: And would the minister look into the price?

Hon. Mr. Grossman: They had trouble with curves.

Mr. Speaker: Order please. We are getting well away from the original question.

The Leader of the Opposition obviously has no more questions. The hon. member for Scarborough West..

MERCURY POLLUTION

Mr. Lewis: That is not obvious at all. May I ask a question of the Minister of the Environment? On Oct. 22 last, in the estimates, he indicated there was more recent data on the levels of mercury content contamination in fish, and there has been no data published by the Province of Ontario since "Mercury in Fish," January, 1972. Is he now prepared to table the data in the House this afternoon?

Hon. W. Newman (Minister of the Environment): Mr. Speaker, if the member had listened the other day, I did give some of that information in answer to a question, I believe, last week. But I'm quite prepared to give all that data both on the Wabigoon system and on the St. Clair River system. We have it all and we'll be glad to provide it. The 1974 tabulation on the St. Clair River system is just being tabulated, but we have all the others. All the indicators are that the mercury level in fish is going down. Now, the Wabigoon system is basically being tested by the federal Ministry of the Environment in co-operation with our ministry. We are doing the testing on the St. Clair River system as far as the mercury levels in fish are concerned.

Mr. Lewis: I appreciate the information on the Lake St. Clair system, but that wasn't what I asked for. Is the minister prepared to take all the data concerning the Wabigoon and the English River systems to demonstrate what difference, if any, there now exists in levels of mercury contamination; and should we not have that information available to us immediately? Where is it, in other words?

Hon. W. Newman: Mr. Speaker, I have some of it with me right now and would be glad to read it to the member right now.

Mr. Lewis: It is a working paper, is it?

Hon. W. Newman. No, it's just a few facts and figures on the Wabigoon system. I have details of the various fish tested and the various lakes tested. I only have a very few examples here of exactly what's happening. If the member would like to hear about those—

Mr. Lewis: I would like to hear about all the lakes, and so many species above the accepted level.

Mr. J. A. Renwick (Riverdale): All the information, all at once.

Hon. W. Newman: Would the members like what I have here today?

Mr. Renwick: No, we want the report.

Mr. Lewis: I don't want to hear the PR people's selection.

Hon. W. Newman: I don't have the report per se; I have the figures.

Mr. Renwick: We want all the information tabled today.

Mr. Singer: Supplementary: Can the minister tell us what steps are being taken in any of the polluted areas to try and stop people from eating the fish that have a high, dangerous mercury content; particularly in the vicinity of Minaki Lodge, which is government-owned and government-sponsored and with large government investment in it?

Mr. Speaker: Order please. Does the hon. member have a question?

Mr. Singer: What steps are being taken and why have the signs "Fish for Fun" been taken down?

Hon. W. Newman: Mr. Speaker, the signs "Fish for Fun" were put up by one of the other ministries. As for the notification to the people on the English-Wabigoon River system, I would think that question would be more correctly directed to the Minister of Health.

Mr. Speaker: Any further questions by the member for Scarborough West?

Mr. Lewis: Yes, I have a question of the Solicitor General, if I may. When the Solicitor General was Minister of the Environment he issued instructions to the chief coroner, as indicated by my colleague from Thunder Bay, that an autopsy should be effected in all deaths where severe alcoholism or emotional stress appear to have been the major contributing factor, after the incident that occurred where over 200 parts per million of mercury were found in the death of the one Indian man. Now, has that been done? If not, why not?

Hon. G. A. Kerr (Solicitor General): Mr. Speaker, as far as I'm concerned there has been no countermand or change in that particular instruction or direction. I don't know, for example, if there have been any more incidents of people dying as result of that degree of mercury contamination. I haven't heard any more information to the effect that there has been another death as a result of that, similar to the one to which the hon. member refers, but certainly there has been no countermand of that instruction. I think it would be almost routine that there would be an inquest in a situation like that.

Mr. Lewis: Supplementary, if I may, of the Attorney General, if he could take his seat.

Is the CBC programme "As It Happens" right in saying that there were no further autopsies performed after that done on Thomas Strong in 1972, and if not, why not? And now that there is reason to believe there is a correlation between violent death and mercury contamination, a correlation derived from examples in Japan—and recalling to the minister's mind the extraordinary report on 189 violent deaths in the northwest, of which 70 per cent or more were as a result of or associated with alcoholism; whose symptoms now appear to be parallel to those which might be attributable to mercury poisoning—can he set out a fiat to instruct that all autopsies be performed in such instances, and inquire why that has not happened for the last two years?

Hon. R. Welch (Provincial Secretary for Justice and Attorney General): Mr. Speaker, I'll take that question as notice, because it requires a lot of information. But I would tell the hon. member that the operation of coroners comes under the jurisdiction of the Solicitor General. However, I'll take the question as notice.

Mr. Lewis: I have a question of the Minister of Natural Resources. Since most of the testing is done by his ministry, is it possible to have tabled every single report which has been done, and all the results of the tests which have been performed over the last two years, particularly on the Grassy Narrows Reserve and the Whitedog-Islington Reserve, in an effort to get some sense of whether or not there is any urgency about the potential health hazards or actual health hazards to those Indians who have been continually eating contaminated fish?

Hon. Mr. Bernier: Mr. Speaker, it is my information that all the information available to my ministry has been made public. As it has been pointed out, the Minister of the Environment will be tabling further information, but I will examine this further to see if there is anything within my ministry, and if there is we will certainly make it available.

Mr. Singer: Supplementary.

Mr. Speaker: All right. The hon. member for Downsview.

Mr. Singer: Could the minister advise if his department is taking any steps to attempt to stop the consumption of mercury-polluted fish by natives, tourists or other people in the polluted areas? What steps are being taken?

Hon. Mr. Bernier: Mr. Speaker, I would refer that particular question to the Minister

of Health because it was that ministry which informed—

Mr. Renwick: The Minister of Health doesn't want it.

Interjections by hon. members.

Hon. Mr. Bernier: Wait a minute, this is a serious situation.

Mr. Singer: Darned right it is.

Hon. Mr. Bernier: That's right. It was that ministry—

Hon. Mr. Grossman: They call us glib and those fellows are laughing.

Hon. Mr. Bernier: —which placed public notices in every newspaper in northwestern Ontario surrounding that particular area, and members must realize it's over 200 miles long. It's a huge area, really; it's long and very slender. They also sent individual letters to each householder in the area; so they have done an excellent job of warning the public.

Mr. Lewis: The letters were in English.

I have one last question on this; of the Premier, if I may. Since the Premier apparently had a working document in his possession describing the correlation between levels of mercury contamination in northwestern Ontario with those in Japan, and now that he knows—

Interjection by an hon. member.

Mr. Lewis: The Solicitor General said it was a lie in 1970 and he's been proved wrong, so I wouldn't interject now. I wouldn't interject now.

Mr. Speaker: Order please. Would the member get to his question?

Hon. Mr. Kerr: Mr. Speaker, I think somebody on this side of the House should say that there was nothing in today's article or the CBC documentary, that I am aware of, that said the level of mercury contamination in northwestern Ontario is the same as it was in Japan. Until we have those statistics I think we should be careful how we pose the questions.

Mr. Lewis: I suppose it is.

Mr. Singer: Did the minister hear the programme? Does he have the transcript of it, or has he heard it?

Mr. Sargent: It's a good reason for a trip.

Mr. Lewis: Since the Premier apparently had in his possession as far back as February, 1972, a document showing levels comparable to those in Japan—and this was asserted in the document, whether or not the Solicitor General knew—given what we have now, and warned about he consequences to human health in those communities of Japan where comparable levels exist, can the Premier intervene with a sense of urgency on the part of all his ministers, either to conduct an exhaustive study or have a major commission of inquiry or provide for the Indians in the northwest an alternative to the present dependence on mercury-contaminated fish as the primary food source?

Hon. Mr. Davis: Mr. Speaker, the leader of the New Democratic Party is, of course, making some assumptions which may or may not be valid. The first assumption is that I have in my possession a report. I just have to inform the hon. member, I don't have in my possession a report.

Mr. Lewis: His ministry then.

Hon. Mr. Davis: That's fine, but I do not. If the member for Scarborough West wants to ask whether one of the ministers may or may not have a report, that's fine.

Mr. Deans: It was a cabinet document. It went to cabinet.

Hon. Mr. Davis: Not necessarily; not necessarily at all. And the member for Wentworth very well knows it.

Mr. J. F. Foulds (Port Arthur): Everybody's passing the buck.

Interjections by hon. members.

Mr. Speaker: Order please.

Hon. Mr. Davis: I would say, Mr. Speaker, with respect, if the leader of the New Democratic Party wants to assume that I have all of these reports in my possession, he is just totally wrong. I don't.

Mr. Lewis: I never said the Premier did.

Hon. Mr. Davis: I would say, Mr. Speaker, the leader of the New Democratic Party should refer these questions properly to the responsible ministers.

Mr. Deans: We are trying.

Mr. Lewis: But the Premier is the head of government. He is trying to duck that, but he is the head of government.

Hon. Mr. Davis: I happen to have complete confidence in their ability to deal with

these very complex issues in the way they discharge their responsibilities; they do it right.

Mr. Lewis: The Premier prefers it not be known as the Davis government, I take it?

Hon. Mr. Davis: No.

Interjections by hon. members.

Mr. Speaker: Order please. The member for Grey-Bruce.

Mr. M. C. Germa (Sudbury): The Premier is accepting his pay under false pretences.

Hon. Mr. Davis: I work a little harder for mine than the member does.

Mr. Foulds: I doubt that.

Interjections by hon. members.

Mr. Speaker: Order please. The member for Grey-Bruce.

Mr. Sargent: The Premier shouldn't be taking a junket to Japan, then.

An hon. member: Is he going to Japan?

An hon. member: When did that start?

Mr. Speaker: Would the member for Grey-Bruce please ask his question?

LOAN TO ST. CATHARINES MOTEL

Mr. Sargent: A question of the Minister of Industry and Tourism, the artful dodger: With regard to a news report of a small business loan of $400,000—

An hon. member: What's the question?

An hon. member: Question!

Mr. Sargent: Take your time, we'll get there—made in St. Catharines to the campaign manager for the member for Lincoln (Mr. Welch), Mr. Archie Katzman, who was also a member of the Niagara Parks Commission—

Mr. Speaker: Order please.

Mr. Sargent: Come on, what's going on?

Mr. Speaker: Order please.

Mr. Sargent: They can do anything they want down there.

Mr. Speaker: Order please. The editorial comments are not necessary. Will you please ask the question directly?

An hon. member: One has to put it in its proper context.

Mr. N. G. Leluk (Humber): Don't make a speech.

An hon. member: Carry on, Eddie.

Mr. Sargent: I'd like to ask the minister, in view of this fact, does he call this a small business loan of $400,000 to the campaign manager of the member for Lincoln who is also a member of the Niagara Parks Commission, and who is the owner of the Parkway Hotel? In view of the fact that this money is an ODC tourist loan, the main requirement for which is that institutional or other sources of money such as banks, are not available, and this is only as a last resort, how does the minister justify this loan going to this lackey of the party? That is my first question.

Hon. C. Bennett (Minister of Industry and Tourism): Mr. Speaker, we did process a loan for a particular operator in St. Catharines. First of all, may I correct one remark and say that the applicant is not a member of the Niagara Parks Commission.

Mr. E. R. Good (Waterloo North): A successful operator.

Hon. Mr. Bennett: Secondly, sir, a tourist loan programme—

Mr. Sargent: But he was a member.

Hon. Mr. Welch: The member should get his facts straight.

Mr. T. P. Reid (Rainy River): At least be honest about it.

An hon. member: He was a member.

Mr. Sargent: I was right, then. He was a member, was he?

Mr. Speaker: Order please.

Interjections by hon. members.

Mr. Speaker: The hon. member for Grey-Bruce will please—

Interjections by hon. members.

Mr. Speaker: Order please, the minister is giving his answer.

Mr. Sargent: But he is not doing a very good job.

An hon. member: How can he, with the member yakking over there?

Hon. Mr. Bennett: With the interference coming from the member for Grey-Bruce, it is just about impossible.

We processed the application and we had a reference report from the tourism people and from the board of directors of the development corporation. They had reviewed the financial position and the documents put before them by the applicant, indicating clearly that he could not secure the source of finance at an interest rate that was realistic in keeping with the development, design and advancement of his operation.

Interjections by hon. members.

Hon Mr. Bennett: The loan was granted based upon the facts and figures that were presented.

Mr. Sargent: What is the rate of interest?

Hon. Mr. Bennett: Mr. Speaker, I'd have to take that under advisement because I do not have the actual file before me.

Mr. Sargent: Supplementary: I would suggest to the minister that it would cost him about six per cent; it would cost a man who cannot afford it eight per cent.

Mr. Speaker: Order please. That's not a supplementary question.

Mr. Sargent: Supplementary then, Mr. Speaker.

Mr. Speaker: Supplementary.

Mr. Sargent: In view of the fact, Mr. Speaker, that only 10 per cent of the minister's estimates were covered the other night, that there are hundreds of cases where we want to question him—

Mr. Speaker: Order please. That question is not supplementary to the original question.

Mr. Sargent: On a point of privilege, Mr. Speaker.

Mr. Speaker: What is your point of privilege?

Mr. Sargent: Mr. Speaker, as critic of this ministry, we spent hundreds of hours on our estimates.

An hon. member: What's your privilege?

Mr. Sargent: I have got a pile that high of questions we could not ask them in the estimates.

Mr. Speaker: Order please. The hon. member hasn't a point of privilege. He is away off his original question.

Mr. Sargent: I want to ask you, Mr. Speaker, on a point of privilege—

An hon. member: Throw him out.

Mr. Speaker: If the member has a point of privilege, he should please state it.

Mr. Sargent: I want to ask a supplementary question of the minister.

Mr. Speaker: The member asked a question which was not a supplementary question and I rule the member out of order.

The member for Windsor West has the floor.

WINDSOR AREA ROADS

Mr. E. J. Bounsall (Windsor West): I have a question of the Minister of Transportation and Communications, Mr. Speaker. Will the minister make available a citizens' consultant to the citizens of south Windsor, particularly the South Windsor Expressway Action Committee, to aid them in evaluating the impact on the community of phase 1 (c) of the E. C. Row Expressway and to help them to identify the various alternatives and to make the best possible recommendations?

Hon. Mr. Rhodes: Mr. Speaker, if that particular association will contact me and specifically put that request before me, I will give it consideration.

Mr. Bounsall: Supplementary, Mr. Speaker.

Mr. Speaker: A supplementary.

Mr. Bounsall: Will the minister endeavour to provide the consultant as soon as possible upon request, so that some of the immediate concerns be dealt with, such as the prohibiting of the four lanes at Dominion Blvd., the reopening of the east end of Grand Marais, the time phasing of traffic lights on Huron Line and the establishment of an advanced green signal at Huron Line and Grand Marais? I can send the minister some 1,600 signatures of adult residents in the area to whom these are immediate concerns.

Hon. Mr. Rhodes: Mr. Speaker, I would suggest that the hon. member might have done that and saved some time. I am not familiar with these complaints and I have no way of knowing what they are unless they

contact me.. If they will do so and send me that particular petition we certainly will give every consideration to their requests.

Mr. Speaker: The member for Kingston and the Islands.

MUNICIPAL INDUSTRIAL PARKS

Mr. C. J. S. Apps (Kingston and the Islands): Mr. Speaker, I have a question of the Treasurer in connection with his statement today, but perhaps the Minister of Industry and Tourism might be able to answer it, so I think I will direct the question to the Minister of Industry and Tourism.

In relation to the financing of the assembly of industrial parks, how are these areas chosen where land assembly will be financed by the province for industrial parks? Second, where the province will co-operate with municipalities to develop provincial-municipal industrial parks where additional economic growth is desired, who determines what the area is where additional economic activity is desired? Perhaps the Minister of Industry and Tourism might be able to answer those questions.

Hon. Mr. Bennett: First of all, Mr. Speaker, the plan of which the member speaks is not part of policy at the moment. I indicated to this House last week when presenting our estimates for Industry and Tourism that we are looking at a scheme that would allow our ministry to support municipally-owned industrial parks with sufficient funds for infrastructure and that it would come under the land corporation the Treasurer spoke of today. The ministry would not take part in the capitalizing of land purchases but our policy would relate to the infrastructure requirements to put those lands on the open market fully serviced.

As to the selection of areas, the rules and regulations will come down with the amendments that we will be making in regard to the loan programme.

Mr. Speaker: The member for York Centre.

HYDRO TRANSMISSION LINE DIVERSION

Mr. D. M. Deacon (York Centre): A question of the Provincial Secretary for Resources Development: In connection with the proposed transmission line from the Bruce nuclear generating station through East Garafraxa and Erin townships, why is a $9 million diversion proposed to avoid lands owned by Lloyd Lang, the reeve of Erin and warden of the county, Donald Matheson, a township councillor; Harry Hindmarsh, secretary of the Toronto Star; and the family of the member for Wellington-Dufferin (Mr. Root)? Would the minister have any explanation for this diversion, which is so obvious on the map?

Hon. Mr. Grossman: Mr. Speaker, I don't have any information on that particular diversion, nor of course do I have any information on the owners of various properties involved. I would recommend the hon. member direct that question to the Minister of Energy (Mr. McKeough). It's just as well anyway, that I was given the advance notice, because obviously the minister wouldn't be able to answer that off the top of his head. This will give him an opportunity to get the information; I promise to direct the question to the Minister of Energy.

Mr. Deacon: Supplementary to that: In connection with the environmental hearings, which will no doubt be held in connection with that line, will the member for Wellington-Dufferin be a member of the board hearing the proposals for that area?

Hon. Mr. Grossman: I will direct that question to the minister, Mr. Speaker.

Mr. Speaker: The member for Sudbury East.

CLOSING OF BURWASH CORRECTIONAL CENTRE

Mr. Martel: A question of the Minister of Correctional Services: In view of the closure of Burwash and the principle behind it that prisoners be rehabilitated near their homes, what are the plans of the ministry for rehabilitation of prisoners from the Sudbury area?

An hon. member: Do we have any up there?

An hon. member: I didn't think we had any up there.

Hon. R. T. Potter (Minister of Correctional Services): Mr. Speaker, we still have a couple of facilities in the northern part of the province, and as I explained to the hon. members previously—

Mr. Martel: Two hundred and—

Hon. Mr. Potter: —well over 90 per cent of the inmates of the Burwash facility were

from the southern part of the province, and the inmates would be transferred accordingly.

Mr. Martel: Supplementary, Mr. Speaker: In view of the policy of keeping prisoners near their homes, why is the ministry sending prisoners some 600 miles to Thunder Bay for rehabilitation? That certainly isn't in keeping with his announced policy.

Mr. Lewis: Yes. He shouldn't be so stupid.

Hon. Mr. Potter: Once again, Mr. Speaker, every prisoner is treated as an individual and it depends upon the type of facility that is required in his specific case. After the proper investigation is done, the decision is made where that individual will be sent.

Mr. Martel: Further supplementary.

Mr. Speaker: The Provincial Secretary for Resources Development has the answer to a question.

Mr. Martel: Further supplementary, Mr. Speaker.

Mr. Speaker: We've just about run out of time; so I think we should get on to more members.

Mr. Martel: Well, he doesn't have a policy.

Mr. Speaker: Does the hon. provincial secretary have an answer to a question?

Mr. Martel: It only works for people from southern Ontario.

FUTURE OF BLIND RIVER

Hon. Mr. Grossman: Mr. Speaker, on Monday, the hon. member for Scarborough West asked me what government resources have been mobilized to see what could be done for the community of Blind River, which is facing difficulties because the principal employer, Champlain Forest Products Ltd., which is owned by Richmond Plywood Ltd., of Richmond, British Columbia, is in receivership.

The company runs a veneer plant employing 80 people at Blind River. The company's plywood operation at North Bay, which uses the veneer produced at Blind River, is continuing to operate at a reduced rate to convert the existing stock into completed inventory. Thirty of 100 people originally employed at North Bay are still working.

The hon. member for Algoma (Mr. Gilbertson) has discussed the problem with the Minister of Natural Resources and myself to see what can be done on behalf of the local people and those with an interest in the company. As well as the possible loss of employment to 80 people at the plant in Blind River, a number of subcontractors who supplied wood to Champlain are facing difficulty, both because of the loss of a possible market for their logs and because they, along with other creditors, are owed money for logs already delivered.

As an immediate step to alleviate the situation, my colleague, the Minister of Natural Resources, has granted timber cutting rights to one of the subcontractors, thus allowing him to keep his work force of approximately 11 people employed.

The employment adjustment service and the employment standards branch of the Ministry of Labour are deeply involved. The employment standards branch is investigating the shut down of the plant to ensure that the appropriate provisions of the Employment Standards Act have been adhered to with respect to back wages, vacation pay and payment in lieu of notice. The employment adjustment service is also watching the situation very closely. Hopefully, the receiver will find a buyer for the plant, thus eliminating the need for people to move to new jobs.

The Ministry of Industry and Tourism is also working actively to solve this problem. They have approached the present owners to explore alternatives for saving the 80 jobs.

Mr. Speaker, I can assure the hon. members that we will assist the receiver in every possible way in its efforts to sell the company as a going concern, and will pursue every avenue possible to keep the people employed and protect their interests in every way.

Mr. Germa: Supplementary, Mr. Speaker; supplementary question.

Mr. Speaker: One supplementary.

Mr. Germa: I wonder if the minister is aware that one of the main reasons for closure of the Champlain Forest Products plant was a lack of heat in the form of natural gas? What does this government plan to do to bring some natural gas along the north shore?

Mr. Bounsall: Good question.

Hon. Mr. Grossman: My information is that that had nothing to do with the difficulties.

Mr. Speaker: That was a new question completely.

The hon. member for Waterloo North.

VINYL CHLORIDE

Mr. Good: A question of the Minister of Labour, if he would take his seat please. How long has the Minister of Labour had the recommendations of the occupational health branch, under the Ministry of Health, that the allowable limits of vinyl chloride should be reduced to 10 parts per million from the present 200 parts per million? And does he plan to act on this recommendation from the occupational health branch?

Hon. J. P. MacBeth (Minister of Labour): Mr. Speaker, if there is any recommendation from the Minister of Health, certainly we will act upon it. The member asked me how long we have had the report. I am not even sure that we have it now; but I can make inquiries and find out when we received it, if we have done so.

Mr. Good: Supplementary, Mr. Speaker.

Mr. Speaker: One supplementary.

Mr. Lewis: Isn't it already done?

Mr. Good: The allowable limits have been reduced, according to newspaper reports and—

Mr. Speaker: Your question? Order, please. Do you have a question based upon the answer?

Mr. Good: Yes. The question is simply this: How could it possibly be—when officials of the Ministry of Health informed me at noon that the Minister of Labour was given a recommendation—how could it possibly be that his ministry is not carrying it out?

Hon. Mr. MacBeth: Mr. Speaker, I would not agree that my ministry is not carrying out any recommendations made by the Ministry of Health. All of these matters don't cross my desk. They go directly, in many cases, to the officials involved. The member is asking me about something which I don't believe has crossed my desk and I would hope that it wouldn't need to. I hope when there is a recommendation in regard to this sort of thing that it would go into action immediately that information is available.

The hon. member asked me if we had received such a report. I will get that information. As to what we are doing about it, I hope if there are any recommendations that we are carrying them out. I will make certain that they do, Mr. Speaker.

Mr. Speaker: The member for Cochrane South.

UNCOMPLETED HOMES IN TIMMINS

Mr. W. Ferrier (Cochrane South): I have a question of the Minister of Housing, Mr. Speaker. Is the minister aware of the number of HOME lots in Timmins where houses were promised to people by Aug. 1 by Pro Investments but the firm has not completed these houses yet? They keep delaying completion so that the people are not able to move in and have to have other housing arrangements, which is causing hardship and confusion? If the minister isn't aware, will he make himself aware of it? What can he do about it to get these houses finished so that the people can move in?

Hon. D. R. Irvine (Minister of Housing): Mr. Speaker, I will look into the matter for the hon. member and report to him.

Mr. Speaker: The member for Downsview.

MERCURY POLLUTION

Mr. Singer: Mr. Speaker, I have a question of the Minister of Health. Could the Minister of Health tell us what steps his department is taking to try to prevent the consumption of mercury-polluted fish by the people who live in the mercury-polluted areas, with particular reference to the removal of the signs, "Fish for Fun," and with particular reference to the consumption of polluted fish by the residents, staff and guests of Minaki Lodge, a government-sponsored and government-financed tourist operation?

Hon. Mr. Miller: Mr. Speaker, we took a concentrated series of steps during, I think May and June of 1973 was the initial point in time. This little brochure that I have with me was made available through all the tourist outfitters in the area. Another message was attached, I understand, to all fishing licences in the area, warning about the dangers of eating fish with mercury in them. Letters were sent to all the doctors in the area, the tourist operators in the area and the individuals in the area, signed by the Minister of Health, outlining the problems and recommending that fish in that particular river should not be eaten.

Mr. Speaker: The member for Nickel Belt.

Mr. Singer: By way of further supplementary—

Mr. Speaker: We hardly have time for a supplementary, and the question has been asked several times by various people.

Mr. Singer: Well not quite, because it has been asked but not answered.

Mr. Speaker: The member for Nickel Belt.

Mr. F. Laughren (Nickel Belt): Thank you, Mr. Speaker.

Mr. Singer: Did you say I could or couldn't?

Mr. Speaker: No.

Mr. Singer: All right, fine.

GOGAMA WATER SUPPLY

Mr. Laughren: I have a question of the Minister of the Environment. In view of the fact that in the small town of Gogama, more than 50 per cent of the wells have been polluted with an unacceptably high level of nitrate, and the ministry has been aware of this for about a year now; and in view of the fact that the former Minister without Portfolio (Mr. Irvine) announced that legislation would give those communities a voice in community councils will not take effect for at least a year, will the minister consider moving in and giving assistance to provide a communal water supply now, not in 1976, so that in the meantime the people are not drinking polluted water?

Hon. W. Newman: Mr. Speaker, in answer to the member, we have some problems like this in unorganized areas of the Province of Ontario. As he said. the minister has said there will be legislation, but I don't know when the legislation will be passed. We are aware of the problems that many areas in the province are faced with. I believe this came up when we were discussing it in the estimates. At this point in time, we have no vehicle through which to deal directly with the people of Gogama.

Mr. Laughren: He is not doing anything with the people of Gogama. He hasn't even got out of the report that he promised seven months ago.

Mr. Lewis: Between Environment and Natural Resources, they will bring the government down.

Mr. Speaker: Order please. The Minister of Transportation and Communications has the answer to a question asked previously.

BILINGUAL PERMITS AND LICENCES

Hon. Mr. Rhodes: Mr. Speaker, on Nov. 1 the hon. member for Ottawa Centre (Mr. Cassidy) asked the Provincial Secretary for Resources Development the following question:

> Is the Provincial Secretary for Resources Development aware of the fact that Ontario drivers' licences, motor vehicle permits and trailer permits are issued only in English? And, as a matter of policy, what plans does the government have for making those bilingual?

Mr. Speaker, the ministry is certainly well aware that drivers' licences, motor vehicle and trailer permits are printed only in English. It is, and continues to be, our policy that wherever feasible we will produce documents and material in French and English.

We further subscribe to, and have implemented, a programme to ensure that bilingual driver examination personnel and bilingual clerical support staff are located in all areas of the province, having a significant French-speaking population.

The booklet, " Could You Pass an Ontario Driver's Examination?" which is a driver educational tool, is published in French and English, as are all driver examination test papers. The ministry also provides special training aids in French to assist teachers in conducting traffic safety education projects for francophone students. Materials in French include posters, traffic safety rules, take-home folder for parental information, etc. There are 30 bilingual driver examiners providing services to 21 communities on a full-time basis and to 44 other communities on a regularly scheduled part-time basis. It should also be noted that many other communities are provided a multilingual service.

Driver licence and vehicle registration documents are designed to be wallet size, and to include all information now contained on these documents in two languages would require that they be much larger in size than the present wallet size of licences and permits, and would be a very considerable expenditure at this time.

Mr. Speaker: The oral question period has now expired.

Petitions.

Presenting reports.

Hon. Mr. Snow presented the financial statement of the Ontario Universities Capital Air Corp. for the year ending March 31, 1974.

Hon. Mr. Rhodes presented the 1973 annual report of the Ontario Telephone Service Commission.

Mr. Speaker: Motions?

Introduction of bills.

ONTARIO UNIVERSITIES CAPITAL AID CORP. ACT

Hon. Mr. White moves first reading of bill intituled, An Act to amend the Ontario Universities Capital Aid Corp. Act.

Motion agreed to, first reading of the bill.

Hon. Mr. White: Mr. Speaker, this bill adds the Ontario College of Art to the list of institutions from which bonds or debentures may be purchased by the corporation.

ONTARIO LAND CORP. ACT

Hon. Mr. White moves first reading of bill intituled, An Act to establish the Ontario Land Corp.

Motion agreed to; first reading of the bill.

EMPLOYMENT STANDARDS ACT

Hon. Mr. MacBeth moves first reading of bill intituled, The Employment Standards Act, 1974.

Motion agreed to; first reading of the bill.

Hon. Mr. MacBeth: Mr. Speaker, the bill updates and revises present legislation governing employment standards. Amongst other things it provides for equal benefits for employees irrespective of sex or marital status under pension and insurance plans. Other changes concern pregnancy leave, night transportation and administration.

Mr. Lewis: What about bankruptcies and receiverships?

MINISTRY OF COLLEGES AND UNIVERSITIES ACT

Hon. Mr. Auld moves first reading of bill intituled, An Act to amend the Ministry of Colleges and Universities Act, 1971.

Motion agreed to: first reading of the bill.

Hon. J. A. C. Auld (Minister of Colleges and Universities): Mr. Speaker, the bill to amend the Ontario Universities Capital Aid Corp. Act adds the Ontario College of Art as an institution whose bonds or debentures may be purchased by the Ontario Universities Capital Aid Corp. This complementary bill empowers the Minister of Colleges and Universities to determine the amount of any capital expenditure for the Ontario College of Art that may be financed through the Ontario Universities Capital Aid Corp.

Mr. Apps: Mr. Speaker, before the orders of the day, I have an announcement to make that I think would be of interest to the members of the Legislature. I have been asked on occasions whether we couldn't arrange to have some ice available for those who wish to play hockey and I would like to announce today that we have arranged with Maple Leaf Gardens to have ice available on Tuesday, Nov. 19 from 1 till about 1:45 and on Wednesday, Nov. 27—

Hon. Mr. Rhodes. The member is finally going to make the Gardens.

Mr. Apps: —from 1 till 1:45. The members will be getting official notices of this and we hope that as many as possible will turn out to these practices. I might add that the McMurtry rules will not necessarily apply.

Mr. Deans: Is that a.m.?

Mr. Apps: No, p.m.

Mr. Speaker: Orders of the day.

Hon. E. A. Winkler (Chairman; Management Board of Cabinet): Mr. Speaker, in the absence of the Treasurer (Mr. White), I have no other option but to call the committee of supply.

Clerk of the House: The 25th order, House in committee of supply.

ESTIMATES, MINISTRY OF EDUCATION

Mr. Chairman: Mr. Minister.

Hon. T. L. Wells (Minister of Education): Yes, Mr. Chairman, in presenting the estimates of the Ministry of Education for the fiscal year 1974-1975, I am pleased to be able to report continued improvement in many aspects of our public and separate school systems in this province. I would like to comment briefly on some of the tangible achievements of the past year—and in a sense present a progress report on Ontario education, however necessarily superficial it may be this afternoon because of its brevity.

Education, of course, Mr. Chairman, continues to be a principal priority of this government. Including post-secondary, it is the

largest single component of the 1974-1975 Ontario budget, accounting for 29 per cent of the total provincial spending.

The estimates which I am presenting today for the Ministry of Education are for $1,496,896,000. The major portion of this, 89 per cent, is turned over directly to local school boards in grants to assist them in operating their schools. This represents 60 per cent of the total costs of elementary education in Ontario. The remaining amount, of course, is raised by school boards through property taxes in individual municipalities.

Mr. Chairman, of the remaining 11 per cent of the amount of money in these estimates, 7.3 per cent is for transfer and statutory payments made directly to other educational agencies and programmes, such as the teachers' superannuation fund, the Ontario Institute for Studies in Education, the Ontario Educational Communications Authority, and research and other educational grants.

The final 3.7 per cent of these estimates is for the direct operating expenditures of the Ministry of Education, which not only include administration and support services, but also the schools operated directly by us, such as those for the blind and the deaf, the Ontario Teacher Education College, and our extensive correspondence course programme.

These estimates for 1974-1975 represent an increase of 8.73 per cent over those of a year ago. During the past year one area that has been given top priority in the Ministry of Education is special education. This includes all programmes and services for exceptional children; that is, children who have learning disabilities and difficulties, as well as children who are gifted and talented.

To ensure that this highly specialized field of education receives renewed attention, we established a new special education branch, effective July 1, 1974. The overall goal of the branch is to develop policies and programmes designed to assist local school boards in providing appropriate educational opportunities of recognized quality of all exceptional children in Ontario.

The new branch is providing a very clear and identifiable point of focus within the ministry, so that our professionals in this field are easily accessible to all those who have problems and concerns related to special education. In addition to their responsibilities, the staff is performing an ombudsman type of role on behalf of the children with learning disabilities of all types.

The new branch has already strengthened a close liaison with other ministries, such as Health and Community and Social Services, in order to provide effective co-ordination among these ministries providing services for exceptional children.

Each of our nine regional offices will have one or more persons clearly identified as special educational officers. Their responsibilities will include getting out into the community to assist local school officials in assessing special education needs and policies in their areas, and to get involved with parents' groups, providing information and assistance at all levels.

About a year ago, Mr. Chairman, I also appointed a minister's advisory council on special education; already the council has had a considerable impact on our activities. Indeed, one of their recommendations was the establishment of the special education branch. The council represents parents, teachers and trustees, and there is no doubt at all that it is providing a continuing and strengthening of the liaison betwen the ministry and those we serve in helping to provide educational programmes and services for exceptional children.

We now have advisory councils for each of the provincial schools for the blind and the deaf, made up of parents, teachers, blind and deaf adults, and representatives of organizations of and for the blind and the deaf, labour and industry. These councils meet regularly to discuss and advise the ministry on those matters referring to the education, growth and development of blind and deaf children.

By any objective and honest comparison, progress in the past year has reconfirmed that today Ontario is second to few, if any, jurisdictions anywhere in terms of the services provided to exceptional children. Of course, we also believe there is much still to be done. And, Mr. Chairman, we continue to move ahead. We shall try to strengthen the partnership among parents, teachers, school administrators, trustees, representatives of interested associations and officials of the Ministry of Education, to this end.

Mr. Chairman, through 1974 there has been a great deal of forward movement related to the adoption of the metric system in Ontario education and, in fact, all across Canada. The ministers of education for all provinces are working toward the implementation of the metric system in our schools by 1978, on the premise that the federal government will follow through on the metrification time line that has been announced.

Of course, this has major implications everywhere, and most especially for our schools. The changeover to metric is more fundamental than it may appear on the surface. It involves looking at the process of quantification and measurement in ways that are quite different from those we have been accustomed to. It means changing textbooks and learning materials of all kinds. Many items of equipment will become obsolete and will have to be modified or replaced.

The phasing-in process in Ontario will require careful planning, and we are sparing no effort in this regard.

It will also involve extra expenditures by school boards. In order to ease the financial burden we anticipate providing special metrification grants over and above the regular legislative grants in 1975. I might point out that many boards of education, Mr. Chairman, have already established their priorities in this area and have begun the necessary planning and in-service teacher preparation.

Another area that has received top priority during 1974, and will receive top priority in the year ahead, is the teaching of French, both in English- and French-language schools. Last year we commissioned a ministerial committee on the teaching of French. Its report, known as the Gillin report after its chairman, is being seriously studied right now.

Mr. Chairman, new approaches will emerge in due course and all of those who have a particular feel for the importance of the French fact in Canada life should keep their spirits high, and also realistic. In this connection, we are also keeping close watch on a number of research studies presently being carried on, particularly in the Ottawa area. From the results of these and other studies, we hope to learn how we can build soundly and achieve our desired objectives of strengthening the teaching and learning of French throughout the province.

The government's position on this matter I think, Mr. Chairman, is well known. We are in complete accord with a statement in the Gillin report that study of French brings "a healthy attitude toward French and a sympathetic understanding of the people who speak it . . . Learning both the languages, French and English, encourages the growth of communication and respect, both of which are needed to bind this nation together . . ."

That is a quote, Mr. Chairman, from the Gillin report which, as I say, we are in accord with. The report goes on to say, and again we support this most strongly:

> There is a growing feeling that Ontario, as Quebec's nearest neighbour, should take the lead in promoting French rights and the French language. This province has the educational system, the wealth and the goodwill to ease some of the strains in the fabric of Confederation.

Mr. Chairman, during 1974 we have been pleased to observe the appearance of some local committees to study the question of moral education. In large measure, this has resulted from an appeal I made earlier this year. It is a difficult area, fraught with potential misunderstanding and misinterpretation.

While it is clear that our public schools cannot promote the doctrines of any particular religious group, this does not mean that they should neglect the many ethical issues that confront young people of all religious persuasions. Our students should be prepared to make sound moral choices in dealing with many complex problems as they learn to function in the social, political and economic spheres.

This year, 1974, has seen a continued emphasis on elementary education in general. An example of this is the special committee that studied the differences between elementary and secondary ceilings. In its report, this committee observed:

> It is apparent that consideration should be given to increasing the funding for the early years of a child's education. Children should be given as positive an initial school experience as possible.
>
> More emphasis on dealing with students' individual problems in the early years could greatly reduce the self-selection process which causes those students with unattended problems to drop out.

The government fully recognizes the importance of the early years of a child's education. We recognize that today in Ontario a need is perceived for additional discretion under our ceilings policy to support and strengthen elementary school programmes and to ensure that our schools have the necessary resources to provide the kind of education which young children deserve and which parents rightfully expect.

As a result, Mr. Chairman, when the spending ceilings for 1975 were announced last month, school boards were given the added flexibility of being able to increase their spending by an additional $80 per elementary pupil over and above the basic

13 per cent increase in ceilings that was announced at that time.

Mr. J. F. Foulds (Port Arthur): You narrowed the gap by a mere $12.

Hon. Mr. Wells: During the past year, Mr. Chairman, major work has been done on the new curriculum guidelines for the primary and junior divisions in a document that is commonly known as P(1)J(1). We've come a long way this year and we expect to see the fruits of these labours within the next two or three months. The new document, when it is published, will almost assuredly be a leader in pointing the direction to the future, insofar as the very important early years of a child's formal education are concerned.

Among other things, the new official P(1) J(1) document will specify the particular skills and knowledge which children in the earlier grades should have an opportunity of attaining. As always, great stress will be laid upon the individual capabilities and differences among children.

While the new P(1) J(1) circular will clarify the provincial goals to be pursued and the ministry's expectations for this programme, it will leave to the teacher's discretion the specific methods to be applied and the illustrations to be used. Thus the teacher will continue to have full scope for adapting the programme to meet the individual student's needs.

The official P(1) J(1) curriculum guideline will be backed up by a much lengthier publication, entitled "Education in the Primary and Junior Divisions." This will explore the objectives of the curriculum in much more detail, and explain what is known of the development process at this level. And it will help enlarge the teacher's background of understanding so they will know why certain approaches are likely to be successful.

Mr. Chairman, the third component of this comprehensive new curriculum package will be a battery of support documents which will give down-to-earth practical examples of how to go about achieving the provincial goals. These documents will be of considerable assistance to many teachers, especially inexperienced ones, in selecting and using content and materials.

The ministry's regional staff will also be working with local supervisory officials and consultants to ensure that all teachers have a thorough working knowledge of the primary and junior programmes, as well as providing direct assistance where appropriate and when appropriate.

Mr. Chairman, the year 1974 has also seen major changes in teacher education in Ontario. There are about 5,600 teachers-in-training in the 11 faculties, schools and colleges of education this year. This is an increase of about 1,000 over last year. The supply of new teachers for the 1974-1975 year is about equal to the demand, with well over 90 per cent of our graduates obtaining positions.

But there were shortages in particular fields, such as technical, French language, and special education. Steps are being taken to increase the numbers in these particular fields, although the shortage of teachers in French-language schools and the teachers of French in English-language schools is likely to remain serious for some time.

The preparation of teachers for the school system, of course, is one of the basic responsibilities of the Minister of Education, and we have been moving ahead in this area as well during the past year.

In September, Sudbury Teachers' College was integrated into the faculty of education of Laurentian University, and the Ottawa Teachers' College became part of the faculty of education of the University of Ottawa.

This completed the policy of integrating teachers' colleges with the faculties of education. However, instead of integrating all our institutions, the remaining teachers' colleges in Hamilton and Ontario were organized into the Ontario Teacher Education College and retained as part of the Ministry of Education. Already, Mr. Chairman, it is very clear that this will ensure a healthy diversity in the ways in which teachers are educated in this province and it will enable the ministry to respond quickly and directly to emergencies and new needs.

One example of this was evident during this past summer, when the ministry offered a special programme for training native teachers for the province. There were 96 successful candidates in the course, which was held at the Hamilton campus. Most of these people are presently teaching or otherwise assisting in the education of native students in this province. The second phase of the training in this programme will be given next summer by the ministry.

This project has been an excellent example of close co-operation between this ministry, the federal Department of Indian Affairs and Northern Development and organizations of native people, in providing improved programmes for our native people.

Mr. Chairman, when the establishment of the Ontario Teacher Education College was announced, we also indicated our intention to appoint a minister's advisory committee for the college. This 12-member group will advise me on programme policy at the college and will assure that the college will be both innovative and sound in its offerings. The members of this committee will be announced in the very near future.

Mr. Chairman, the year 1974 has been a year of further consolidation and refinement at the secondary school level. The latest edition of circular HS (1) is for a two-year, rather than the traditional one-year period. Teachers and administrators thus will be able to plan with confidence for a longer period of time.

Mr. Foulds: They will have at least two years.

Hon. Mr. Wells: Well, that's longer than one year.

Mr. Foulds: That is longer than they had before.

Mr. B. Newman (Windsor-Walkerville): It is a 100 per cent increase.

Hon. Mr. Wells: That's right. It is a 100 per cent increase as the hon. member says. There will be less reason for the—

Mr. Foulds: Less flexibility.

Hon. Mr. Wells: —criticism we have sometimes heard in the past that changes come in such quick succession that it is difficult to keep up with them. Mr. Chairman, our secondary schools are continuing to offer a balanced programme. Enrolment in such subjects as mathematics, English and the sciences continues to reflect a very high degree of interest in the traditional academic subjects on the part of our students. For many students, the vocationally oriented courses in secondary schools are offering new opportunities to enhance their ability to deal with the problems of everyday living.

The credit system has helped to break down the rigid barriers between programmes so that students can, for example, include one or more technical courses in a predominantly academic programme. Thus they can acquire a basis for the technological literacy that is so useful in our society.

Beginning this year, it has become mandatory that students earn four credits in English studies and two credits in Canadian studies before they can qualify for a secondary school graduation diploma. These new requirements will result in an increased emphasis on communication skills and a better knowledge and appreciation of our Canadian heritage and national identity. There are also many studies in the general area of the quality and protection of human life that are receiving increasing emphasis. Many of these programmes will involve close co-operation with ministries of the Ontario government other than Education—for example, driver education which is now being studied by a joint task force made up of the officials of the ministries of Education and Transportation and Communications.

Preparation for effective living, Mr. Chairman, includes family studies, nutrition and physical activity. The health, growth and development of our children will be aided by enriched programmes in nutrition and physical activity that reflect our growing awareness of the physical fitness needs of our young people and children. This national priority will be given particular emphasis by my ministry in co-operation with related programmes in other ministries.

During 1974, we have been looking at ways in which activities carried out partly or entirely outside the school, which have a substantial educational component, can be recognized for credit toward a secondary school diploma. The activities being looked at are of three kinds: work experience, community service and the use of community resources for independent study or class purposes.

Part of the same process is the anticipated provision for certain young people to be excused from school attendance at the age of 14 or 15. Such students may find suitable employment or other opportunities for activities of an educational nature. They will be kept on the school rolls and under the broad supervision of the school to ensure that they are not being exploited. In this way, I think, Mr. Chairman, we are recognizing the small but significant number of individuals for whom school attendance is not the most constructive experience available.

In view of the increasing number of alternatives, dropping out does not have the same implication that it used to have. It is much less likely to signify the end of educational opportunities but may simply mean that education is being conducted in another form. It is interesting to note that the drop-in rate, that is, the rate of return to school after an interruption, has doubled in recent years.

To gain a better insight into the drop-out problem, research has been initiated in two

areas. In the French-language schools, Mr. Chairman, the retention question has been under study by an OISE team, financed by a ministry grant in aid for the past three years. The ministry has also entered into a contract with OISE researchers to study the problem concerning drop-outs in the school system as a whole.

Mr. Foulds: How about a study to find out what is wrong with OISE?

Mrs. M. Campbell (St. George): Yes.

Hon. Mr. Wells: There is nothing wrong with OISE. It is doing a good job now. I think my friend would agree to that. A good number of his friends are up there.

Mr. Foulds: That is true, but the teachers in the classrooms don't agree with you.

Hon. Mr. Wells: Well, I think they are beginning to agree.

Another major area of activity during the past year has been the very important field of evaluation. As we are all aware, there has been considerable public demand for effective evaluation of our educational efforts. The cry is both for evaluation of individual students' progress and for evaluation of educational systems.

To meet concerns related to assessment of individual student progress we have established a committee that has been at work during the past year studying evaluation of student achievement. We are optimistic that some very tangible and concrete results will emerge from this committee in the near future. I might say, Mr. Chairman, we view this as an extremely high priority matter.

Of course, the ministry has for some time been promoting the idea of evaluation as an integral part of the teaching-learning process. Thus there has been a move away from the long, formal examinations at the end of the year in favour of more short tests, class period tests, evaluation of daily performance and the like.

In order to improve the process of measurement and evaluation in the classroom, I believe teachers in training at colleges and faculties of education are receiving better preparation than ever before in this area. Additional help is also being made available in in-service programmes as well.

Mr. Chairman, further to the matter of evaluation in education, 1974 has seen major strides taken by our Educational Resources Allocation System project. This group has been developing a comprehensive and systematic approach to decision-making and the management of school systems. It is currently involved in 16 projects with school boards across the province.

The ERAS project, as it is known colloquially, deserves serious consideration by all those involved with education, particularly in the light of all our concerns about long-term planning for educational development and for effective management of our school systems.

Recognizing these principles, we have been encouraging school boards to use a new service initiated by the ministry which involves the co-operative evaluation of a school system. This service is set up at the request of a local board and includes both internal and external teams of evaluators.

The internal evaluation team is composed of teachers, parents, students, administrators and any other interested people in the community. They concentrate on examining the effectiveness of working relationships, but steer clear of assessing the performance of individuals. The external team includes educators from other systems outside the system being evaluated and is composed, say, of trustees, teachers and ministry officials.

After the internal and external teams have completed their independent assessments, they compare notes and report to the school board. This process focuses attention on the strengths and weaknesses of the system and provides a sound basis for educational improvements.

To date, four of these co-operative educational projects have been completed with the West Parry Sound Board of Education, the Dryden Board of Education, the Ottawa Separate School Board and the Department of National Defence Schools in Germany. Two or more projects are currently under way with the Manitoulin Island Board of Education and the Kirkland Lake Separate School Board. Five possible additional projects are now at the negotiation stage. We hope that increasing numbers of school boards will avail themselves of the opportunity of utilizing this co-operative evaluation service.

Mr. Chairman, one of the major steps taken just recently has been the development and announcement of a new ministry programme designed to substantially increase the interaction between local schools and community residents. We, of course, strongly support the idea of the local neighbourhood school serving as the catalyst toward developing a community identity, a community sense of involvement and spirit, and a place where men and women and young people can go freely,

for whatever purpose, without feeling threatened or out of place.

To this end, we outlined a six-point programme, which the Ministry of Education will implement beginning immediately.

1. We will create a community schools unit within the ministry. There will be a small staff at the central office at Queen's Park. In addition, a community education officer will be designated within all nine of our regional offices throughout the province.

The community schools unit will be backed up by an advisory committee, which will include representatives of provincial associations concerned with education, recreation and community affairs. The committee's main purpose will be to ensure that we have first-hand knowledge and expertise at our disposal, and that co-operation, co-ordination and advice are at a maximum.

2. The ministry will provide backing to school boards who really want to get serious about community schools or to try the idea on for size. Boards of education and Roman Catholic separate school boards will be able to submit specific proposals for new or expanded programmes, including staff needs that might be involved. For the remainder of the present school year, 1974-1975, we will support boards to a maximum of $10,000 per approved project. We have already mailed details of this plan to school boards, Mr. Chairman, so that proposals can be submitted by the end of December. The same programme will be continued throughout the 1975-1976 school year.

3. We will soon initiate a project to produce a practical handbook of facts, ideas and examples related to community schools. This handbook will serve a dual function, hopefully, in serving to inform and stimulate both school principals and their staffs and interested citizens.

4. We will continue to allow school boards, if they wish, to classify their expenditures related to community use of school facilities as being outside the educational spending ceilings.

5. We will officially and strongly again support the idea of full community use of school facilities after regular school hours. As well, we support the community use of vacant school facilities during school hours where appropriate, provided that other school boards do not require this space. And we will do everything possible to facilitate arrangements to these ends.

6. We will officially and strongly urge school boards to examine their procedures and policies related to their liaison and co-operation with other agencies serving the community, with a view to improving the lines of communication between these agencies, which of course is a necessity if a community school in the truest sense is to be developed.

These are the six essential ingredients in this first phase of an active plan to encourage the development of the community school idea all across Ontario where it is not now presently operating, Mr. Chairman.

I have indicated today a number of the priority matters with which the Ministry of Education has concerned itself during the past year, and with which we will move forward during the coming year. There are, of course, many more that could be mentioned, but the essential message is that all of these and other activities are intended for one purpose and one purpose only—to contribute ultimately to what goes on for each student in the classrooms of this province.

I think, Mr. Chairman, never should we forget that in education the priority that stands above all others is that we must continue to provide the kind of educational experiences that will best equip and prepare the young people of today to take their places as knowledgeable, sensitive and aware members of a society, a society that of course will soon be theirs to lead, and that will also prepare and equip and make them ready to participate in meeting and solving the problems of their community, their country and the world at large.

Mr. Chairman: The hon. member for Windsor-Walkerville.

Mr. B. Newman: Thank you very much, Mr. Chairman. We have just heard the minister's comments for the last 32 minutes. I appreciate some of the comments that he did make. I see that he has listened to the select committee on the community use of schools. He has adopted some of their recommendations and it is fitting that there is that immediate action as a result of the hearings of that committee.

I think that the minister has taken the first step. I hope he just doesn't stop there but that he continues to implement recommendations so that we really do have community schools in operation in the province.

I will probably return to the minister's remarks a little later in my own comments, but at this time I would like, as the Liberal Party critic for this ministry, to bring to the ministry some of the impressions that I have received over the past year.

One year ago I made the following comments in my introductory remarks:

> Never, never before has any Ministry of Education been responsible for so much and utter disappointment for and to so many as this ministry has been for the past year.
>
> Never were so few responsible for so much chaos. Not only boards of education and parents, but also teachers and students have voiced their strong non-acceptance of the Davis government's approach to the education of our most cherished resource, our children and our youth.

In spite of what has taken place in the ensuing period, Mr. Chairman, I still think that the same uneasiness, the same discontent and the same disappointment is still prevalent in the educational system. As Minister of Education for the past 2½ years, the minister has implemented a series of policies which resulted in the closure of every school in the province when 30,000 teachers protested in front of Queen's Park just 11 months ago. It was the largest demonstration ever held and the degree to which teachers become politicized indicated how much many of them were totally dissatisfied with the policies of the minister. He undermined the autonomy of local school boards and he alienated 105,000 teachers across the province.

Mr. Chairman, the trouble began with the introduction of the legislation to nullify retroactively the clause in teachers' contracts that permits them to resign at the end of the year. The purpose of his bill was to prevent 7,500 teachers from withdrawing their services as a bargaining tactic with their local boards. The result was that four times as many teachers left their classrooms to march on Queen's Park alone and the whole provincial system was closed for one day.

Since the Teaching Profession Act was passed some 20 years ago, Ontario teachers have negotiated thousands of contracts with local schoolboards, but until the present minister took over the ministry I doubt if a single school district was closed by contract disputes.

When the minister introduced legislation to deny teachers the right to resign, negotiations had already been under way in 17 school districts, although many may have settled on their own if the minister hadn't interfered with the collective bargaining process. However, the minister, in interfering, implied that teaching was an essential service. Notwithstanding the fact that it is an important profession, teaching is not an essential service.

In other words, the teachers' strike did not endanger the life, health or safety of the people in the province and we in the Liberal Party believe that teachers should be allowed to go out on strike as a last resort, if negotiations break down completely.

We are waiting for the ministry to introduce legislation that will deal with teacher-school board negotiations. The Reville report has been out some two years now and the government still hasn't acted on the recommendations of the report, nor has it rejected them. We would recommend that upcoming legislation include the right to withhold services.

I would be most anxious to hear from the minister what his feelings are, at the present time, on this issue. Has the fact that the teachers are more dissatisfied now than ever before, changed your mind on this point, Mr. Minister? After a meeting just two nights ago, the teachers in the city of Windsor—some 700—threatened to walk out if negotiations with the local board cannot be resolved. The potential walkout would be on Tuesday, Nov. 12, so you have a weekend in which the two parties will have to get together in an attempt to resolve their issues. Now, their previous contract had expired at the end of August, and the teachers have been working without an agreement since then. Surely there should be some immediately after they terminate one contract, they can be working toward the resomethod of getting parties together, so that lution of their new contract.

A strike will most likely be called on Nov. 12. A Mr. O'Connor, the provincial secretary of the Ontario Secondary School Teachers' Association, said: "We have been forced into this by spending ceilings." The provincial body and its mass of secondary-school teachers' support was brought in mostly because we can't negotiate from a position of no strength. The teachers made it clear that they will not submit to any form of arbitration or Ministry of Education intervention. They want to be able to resolve their difficulties between themselves and the local board. From what I understand, both sides are willing to negotiate practically around the clock in an attempt to resolve the problem.

However, Mr. Hawkins of the board made the following comment: "If they have decided not to settle"—that's referring to the teachers—"unless the spending ceilings are

broken, then we may never reach an agreement. I want to stress that we are prepared to continue negotiations." However, the breakdown is a result of provincially imposed ceilings on education spending.

To give you a reason why the discontent remains among many of the teachers in the province, when one compares the salary grid of a teacher with others in the community, you find that it starts from $7,200 in category one, at a minimum, and it goes to a maximum of $17,600 in category four. Now, these are not new negotiated contract arrangements; these are the old grid figures. You can imagine an individual with four years of university education commanding such a low salary.

For example, policemen will start at $10,000 a year, and no one denies their right to be able to get and command such a salary. A lecturer at a university would start at $10,200. A public utilities service clerk would receive $11,350, going up to $12,300. A nurse would start at $11,350. Firefighters would receive $12,900 after 3½ years of service.

You can see that the various individuals that I have mentioned start at salaries that are substantially higher than does the individual in whom we put all our trust and faith in providing a proper and substantial education to our own youth. I don't under any circumstance attempt to demean them or to say that the individuals that I have mentioned are not worth the amount of money that they are receiving. They are worth that and maybe more, but in comparing what the teachers are receiving, it certainly does not speak well for the salary structure and the grid that has been set up for them.

In my estimation, requiring an individual to work for 14 years to reach a maximum salary is just not right in today's economy. If those working for the civil service, fire and police can reach a maximum within five years, I think other segments of the economy should be treated in exactly that same fashion. I think the grid as developed by the teachers, probably, should be completely withdrawn, should be brought up to date, or it should be negotiated between the teachers and the boards to progessively reduce it so that the teachers will be able to reach a maximum salary in the same number of years as others in our society.

For example, I note that a journeyman plumber can receive as much as $18,320. No one denies him the right to earn all of that. Then you can look upon an individual who has devoted his whole life to the education of our youth working for 14 years and still not receiving that same type of salary. Yet the educational requirement of that plumber could be only grade 12 whereas the teacher at $17,000 would have to have a college education, plus some post-graduate courses.

I think the grid is going to have to be redrawn. There is no reason to require a teacher to take 14 years to reach his or her maximum when others reach their maximum in a much shorter period of time. To me, the Ministry of Education in the areas in which they negotiate with teachers should be the ones who set the example and substantially reduce that grid. I know this is a bargaining point between the two parties but I think the boards of education as well as the ministry shouldn't wait to be approached but should lead and take the initiative to redraw the old-fashioned 14-year grid and make it a more realistic five-year period or some period of time agreed to by both parties.

As a result of some of these problems, the problem of attempting to obtain a decent standard of living does cause a lot of the discontent among teachers, so that in the process of their negotiation they find that, unless they take a very strong stand, their chance of being able to get their fair share of our economy is that much smaller. They have no teacher-board rules or regulations or no legislation by which they can bargain. One year ago when we were discussing legislation in the House here, the member for York Centre (Mr. Deacon) did make a suggestion. At the time when he made the suggestion, I can recall not only the ministry but others in this House scorned his suggestion. However, when one reads the press of late, one would find that the recommendation or the suggestion that he had made is being experimented with and is being used in negotiations between teachers and boards. That is the final offer selection.

In a recent meeting, reported in the Toronto Globe on Nov. 5, Charles M. Rehmus, co-ordinator of the Institute of Labour and Industrial Relations at the University of Michigan–Wayne State, made mention that the final offer selection can be a creative and beneficial alternative to strikes or to the conventional third-party decision-making.

Even the Toronto Star has proposed final offer selection to its mechanical unions in the current bargaining procedures.

Hon. Mr. Wells: Final selection is a form of arbitration.

Mr. B. Newman: We would like to see the ministry not necessarily recommend it, because that has to be done by the two parties that are involved and I don't think there should be dictation on their part. As I make these comments, I make them so that teachers and boards both can be looking into this in an attempt to resolve it.

Hon. Mr. Wells: I would be happy to have them use it in Windsor, if they'd like.

Mr. Foulds: I bet the minister would.

Mr. B. Newman: Well, I don't mind leaving it here.

Hon. Mr. Wells: I said I would be happy to have them use it in Windsor. Why doesn't the member use his good offices to encourage this in Windsor?

Mr. B. Newman: I hope by hearing this and—maybe by reading the Globe that they too will look at the offer. I don't think any method of resolving differences, simply because it might be innovative, should be discarded. I'm not saying, as the member for York North (Mr. W. Hodgson) did not say, either, that this was necessarily the final answer to the problem—but it at least is an approach that has not been used and should be experimented with to a little greater degree.

The core of the final offer selection is that an arbitrator or selector makes a choice between the final offer of the union and the company. But there are several refinements and variations of the final-offer selection. The arbitrator can choose between a total package presented by the union and the employer or between the positions of the two sides on individual items, according to the ground rules that have been set up.

Even Manitoba's labour management review committee on public-sector employer-employee relations has recommended the use of final-offer selection, with the arbitrator's choice limited to either the employer's or union's full package.

Mr. Rehmus, in his comments, states he believes that the value of a flexible system under which the arbitrator can encourage the parties to change their positions before the "final, final" position. He said that in Michigan, where final-offer arbitration is required by law in impasses involving public safety employees, five out of six sets of negotiations end in a settlement without arbitration. And two-thirds of those that do go to arbitration reach a settlement in the course of proceedings without need for an award.

Mr. Foulds: That's a higher average of arbitration than happens in Ontario.

Mr. B. Newman: Prof. Rehmus said that it is not reasonable either to employers or to employees that arbitration proceedings should be grossly inequitable. "Arbitration is not Russian roulette in which the loser should die." For that reason, he disapproved of selection of an arbitrator of package offers rather than making decisions on individual items.

Prof. Rehmus said that final-offer arbitration, if flexible in nature, is a creative and beneficial alternative to strikes or to conventional third-party decision-making. He said:

> When used by sophisticated negotiators it doesn't harm and can genuinely support the collective bargaining system, which has become fundamental to so many employment relationships in North America.

Now, I have also noted that in the Wentworth County Board of Education, the system was used and they did arrive at a settlement between the two parties, the teachers and the board. And Mr. Thomas Burton, a trustee and the board's chief negotiator said:

> Final-offer selection is a much softer form of arbitration and I like that much better. I think it resulted in us being so close on the unresolved issues.
>
> It puts so much emphasis on both sides being reasonable in their demands and worked well in this situation.

Both parties said that they would be willing, once again, to try final-offer selection.

I have also noted that in a publication from the Ontario Secondary School Teachers' Federation, "Federation Update" of Oct. 21, 1974, that in a dispute in Sault Ste. Marie, final-offer selection was going to be the method of arbitration in that dispute between the board and the teachers.

Mr. Chairman, the problem in the negotiations between the two is essentially the imposition of ceilings, and trustees, if they are going to be bound by ceilings, find that they really have little that they can do. In fact, they become so frustrated that they can't change the school year, they can't buy or sell school sites, they can't build new schools, they can't exchange unused facilities. without prior approval from the Ministry of Education.

Now, they also state that most guidelines and curricula are established by the government. Their programmes are all virtually set. All financial authority rests with the government. The trustees are left with the task of most effectively dispersing the moneys allo-

cated for specific projects. They end their comment by saying: " A good administrator could do the same thing, and no one would have to worry about him squandering the money because there isn't any money to squander." In other words, they infer that there really would be no need for having boards of education if you're going to have them so constricted in their attempt to operate and run their schools.

In talking about ceilings, Mr. Chairman, the Bureau of Municipal Research wrote a paper last December and came to the following conclusions on provincial spending ceilings:

> While we sincerely appreciate the need for fiscal responsibility in education. we do not believe that restraints such as arbitrary budget ceilings represent a reasonable approach to this goal. Ceilings should be accomplished both by provincial guidelines for reductions and by a rationale for ceilings, including the projected impact on the quality of education . . . As an apparent first step toward the total provincial takeover of education, financial ceilings offer a poor beginning and leave little hope that an innovative educational system will be forthcoming."

The Bureau of Municipal Research went on to say:

> The ultimate responsibility for the development of our educational system must rest primarily with one recognizable body. It's either going to be the province or the local school boards who call the shots, and while we feel the government closest to the people could do the better job, a decision one way or the other would help to clear up a lot of problems.

The education policies of this government have created greated centralization of the control of finances of local school boards in spite of the fact that they have claimed to do the opposite. The imposition of spending ceilings has seriously eroded the autonomy of the local boards and its forcing them closer and closer to a provincial stereotype which fails to recognize differing needs across the province.

The imposition of ceilings has really meant that teachers—and, I may say, teachers alone—now have wage controls imposed upon them. No other segment of our society has wage controls imposed upon it but, through the imposition of ceilings, Mr. Minister, you and your party actually are saying just what your federal counterpart said, "We want wage controls. We will impose them."

Mr. D. M. Deacon (York Centre): It is interesting how little interest the NDP is showing in this debate.

Mr. J. R. Smith (Hamilton Mountain): They have confidence in us.

Mr. B. Newman: We in the Liberal Party believe the government should relinquish its day-to-day budgetary control through its ceiling policy so that local autonomy of democratically elected school boards can be meaningful and effective. The remaining problem of equality of opportunity throughout the province can be fulfilled by the assumption, as a matter of provincial policy. of an average of 80 per cent of the cost of education at the provincial level rather than the 60 per cent that it is at the present time.

I bring to your attention, Mr. Minister, that your government has accepted the policy of 80 per cent of the cost of education being borne at the provincial level. You have done that in post-secondary education. where you are now paying 78 per cent of that cost. So all you have to do is transfer or transpose that policy into your responsibility and provide, ever a phased-in period, 80 per cent of the cost of education, a policy that this party has been espousing for maybe 12 years now, Mr. Minister, that I am aware of.

When you look at the effects of ceilings and you get down to the local area, the Toronto school board, you see how hard it does hit a board, how it affects quality of education and really imposes a hardship on the citizens as well as on the consumers of the educational system. I could, Mr. Chairman, read the statistics concerning the Metro elementary budget—how in two years it has only gone up from $195.7 million to $214.9 million in 1974; how the secondary school budget went up in 1972 from $172 million to $199 million; how the elementary per-pupil ceiling went up from $786 to $885; the secondary school pupil ceiling went up from $1,282 in 1972 to $1,429 in 1974; how the elementary school enrolment has dropped from 266,000 to 242,000; how the secondary school enrolment has almost remained stationary from 134,000 to 134,000 plus. Naturally when I am giving you enrolment figures for 1974 these are not actual figures, these are really estimated figures.

The number of teachers in the elementary school system has dropped from 12,000-and-some to 11,000-and-some. The number of secondary school teachers has dropped from 8,165 to 8,139. The overall elementary pupil-teacher ratio was decreased from 20.3 to 20.1,

whereas the secondary school pupil-teacher ration went up from 16.3 to 16.4.

Mr. Chairman, I would like to make comments on some of this, but first I want to bring in the weighting factor in determining grants. Before determining what each board is to receive in grants weighting factors must be considered. These factors include such things as special education, compensatory education, age of school facilities, admissions, population density, and so forth.

The Metro Toronto board has consistently opposed the weighting factor ceiling technique for controlling the cost of education on the grounds that it is grossly inadequate in measuring the educational needs of individual school systems. Each year the board submits briefs to the ministry suggesting how the existing ceiling formula might be improved. For example, in special education; Metro's percentage of pupils in special education is much higher than that in the rest of the provinces—3.3 per cent in Metro as compared to 1.6 per cent for the rest of the provinces.

The weighting factor is inadequate as far as special education is concerned. Thus funds for regular grade pupil must be cut somewhat in order to sustain special education programmes. Also the segregated method for the special education pupils—that is, having these pupils in a special class all day long—must be sacrificed for the resource or withdrawal approach. Pupils who need special education are in a regular class except for perhaps two or three periods when they go into a special education class. Class size and the regular programme has to be larger to accommodate the resource approach. In addition, whereas the regular grade student enrolment is declining, the special education enrolment is increasing.

At the secondary level, inner-city school operations are inseparable from the special education programmes. Again the problem is that the money provided under the ceilings, and the weighted factor doesn't cover the expenses, and money must be taken from regular grade pupils. If the costs of special education for the year 1973-1974 are compared with the ceilings for 1974, one can see that the costs of special education were approximately $10.5 million in excess of the ceilings in elementary schools and $6 million in excess of the ceilings in the secondary schools. The differential would be even higher if the 1974 budget were compared with the 1974 ceilings. Even though this is the case at the present time, there are still several hundred students who have been tested and are waiting for placement in classes which are already filled to capacity.

As far as education of the deaf is concerned, the Metro Toronto board system operates the Metro Toronto School for the Deaf, which provides education for day students. To fund the school the taxpayers in Metro pay 93 per cent and seven per cent comes from provincial grants. Elsewhere, as is the case in the school for the deaf in Milton, also a day-school programme, there is 100 per cent funding by the province.

In a brief to the ministry dated on July 23, 1974, the Metro school board requested that the Ministry of Education provide 100 per cent of the funds needed to operate programmes for the deaf and the blind, on the basis that if accommodation were not provided for these students in Metro Toronto, they would be attending schools operated and paid for by the province.

As far as the schools for the retarded are concerned, the Metro school board is finding it increasingly difficult to keep within the 1974 ceilings and still provide the same level of operation. Factors making it difficult include: increased salaries to teachers; small class sizes, which must be maintained to provide for adequate instructions—increased admission of children with multiple handicaps and a low functional level necessitates smaller class sizes; special programmes for non-verbal students; increased operating costs in the schools.

Now, the compensatory factor on the elementary level. Weighting factors are also considered for a compensatory education. Large metropolitan areas produce problems of their own, such as sound, air and visual pollution, immigration, public housing, welfare, socio-economic influences, and so forth. Metro Toronto is no exception to these problems.

The board has special programmes to tackle these problems. In the core area of Metro Toronto, inner-city and English-as-a-second-language programmes have been established. In most cases, special-education, inner-city and English-as-a-second-language oriented problems are intermingled. It is not unusual to find inner-city schools with substantial special-education programmes and English-as-a-second-language programmes as well. Of course, extra resources are needed to provide these programmes. Thus, weighting factors are introduced, but they are not adequate and money must again be channelled from the regular pupil programme. Again Toronto loses.

When one examines statistics on immigration, one sees that 35 per cent—according to the 1974 figure—of all immigration to Canada settles in Metro Toronto. The new immigrants also tend to settle in the core areas. Thus one can understand how important these programmes are in the assimilation of the immigrant student, but with the present ceilings, this must be done at the expense of the regular pupil.

Mr. Chairman, I doubt the city of Toronto will tolerate this much longer. In 1973 Metro's density statistic was 13.7 persons per acre. Although this high density brings in higher commercial assessment and thus a favourable assessment per pupil, it also brings in its own special problems. The proximity of many schools to industrial and commercial properties requires organization and property-management approaches, different and more comprehensive than schools in residential areas with limited commercial assessment and lower density.

The effects of air and sound pollutants with respect to facilities management, large school populations on small school sites, the complexity created by multi-problem combinations of special-education, English-as-a-second-language and inner-city problems, inadequate parks, recreational facilities, areas of concentrated juvenile delinquency—all are situations which have their foundations in an area of population density. In the density factor, Metro's school system receives the maximum weighting factor of 10.5, even though Metro's statistics exceed that 13.7 persons per acre. Mr. Chairman, this isn't fair at all.

The rising costs: School boards are faced with rising and inflated costs, just as we are. In the year between July, 1973, and July, 1974, the national consumer price index increased by 11.4 per cent and the wholesale price index increased by 26 per cent. Fuel and utilities increased by 16 per cent. Thus you can see that the school boards feel the pinch on the money given to them under these ceilings.

Besides the rise in these indexes, the board must also contend with contracts which will give elementary school teachers an increase of 13.2 per cent over 1973-1974, and a contract with secondary schools providing for an increase of 11.7 per cent over the previous year. A contract with clerical and maintenance personnel will give them a 10 per cent increase in 1975. The increase in the price of fuel and utilities must also be provided for.

Even though the ministry will have difficulty in coping with the effects of inflation on their ceilings, they must realize that the penalty for an inadequate provision will likely be a further erosion in both the non-instructional and instructional areas of the budget.

As one can see by studying the enrolment figures for the last three years, it is evident that enrolment is declining. The 1974 ceiling provisions include a declining enrolment factor. But one must remember that when there is a decline in enrolment it normally is spread throughout all grades and courses. As a consequence, the saving in direct expenditures, such as teachers' salaries and other supporting expenditures, are not directly proportional.

Fixed expenditures such as building maintenance, plant operation, computer services and administration can be adjusted downward in the long term, but, in the short term, reductions which are directly proportional to enrolment can seriously disrupt the on-going essential services. Over the long term, schools can be closed when enrolment declines, but in the short term they still have to be maintained.

Mr. Chairman, I was going to bring in the increase in the grant structure to both elementary and secondary schools, but I'll talk about that in another item in a short while.

Expenditures in the elementary schools will likely rise at a faster rate than those in secondary schools as a consequence of certain changing patterns in the elementary schools.

The upgrading of qualifications of elementary school teachers will continue to be a significant factor in higher costs. The students moving from the public school system to the separate school system tend to be primarily those in the regular grades, leaving the public school system with a proportionately higher percentage of students in special programmes designed to meet the needs of children with special problems.

Most educators share the view that more attention needs to be paid to the early childhood programmes, and lower pupil-teacher ratios in the early grades is a key strategy. The expansion of programmes of a remedial and specified nature all require increased expenditures. The movement toward shared use of facilities also impacts costs in the elementary panel.

The school board endorses the trend in recent years to reduce the gap between elementary and secondary school basic ceilings, not only on the basis of percentage but

also on dollar differential. The school board would request and support a substantial improvement in 1975.

In the Nov. 1 issue of the Toronto Star this year, the subject of books and the school ceilings was discussed: "Metro education officials blame the provincial ceilings on education spending for making them" cut back school book budgets. For example, the Toronto Board of Education spent only $7.38 per pupil for library books and texts, although the spending per elementary pupil was $9.53. Salaries make up 85 to 90 per cent of the Toronto board's budget, and "in this tighe budget situation, we have to look at cutting things, not people," so a comment is attributed to a board official.

David Logan, chairman of the North York board says: "Books have become so expensive that the board is considering making parents pay for them. So far, only grade 13 students pay for books at present. Since 1969, the Ministry of Education has provided grants to cover textbooks, but the grants don't cover the costs," David Logan said. "The publishers say boards are cutting the book budgets because that's easier than cutting salaries or staff." Publishers, especially Canadian ones, continue to suffer and will go under if more money isn't allocated to books. The school board's greatest concern is that rising costs and inadequacies in the weighting factor/ceiling technique will result in further erosion of the services in the Metro school system in 1975. The board is particularly concerned with the elementary school board, which required a loan from the Ministry of Education in 1973 in order to accommodate, to the ceilings, and which, by agreement must be repaid in 1975 and/or in 1976.

The teachers' federation is very much concerned over the imposition of the ceilings because imposition of ceilings, as set out by this government, simply shows that this government has failed. They have admitted failure in the health field by abolishing ceilings; I think that the minister here should follow his colleague in the Ministry of Health, a portfolio which he once held, and likewise eliminate ceilings and allow local autonomy to decide as to the way the education dollar should be spent.

Quite often the escalating costs of education are blamed solely on teachers. However, they have found there are at least 22 factors outside the control of teachers that have raised total education spending significantly. Among them you have the introduction of regional school boards, the introduction of costly community colleges, the expansion of adult education programmes, the explosion of new optional courses, the expansion of ETV equipment and programmes. You can see there are other factors that have increased substantially the cost of education.

The next topic that I would like to touch on for a while, Mr. Chairman, is the disparity between the elementary and secondary school grants. Back in 1973 the elementary pupil received $630. In 1974 it went up to $683. Then it was revised in April by adding another $21 and it was brought up to $704. For 1975 it is proposed to give elementary schools $876. That is a substantial increase over the previous year; that's an increase of $172.

But in the secondary level, the grant started in 1973 with $1,130 per pupil. It went up to $1,210 in 1974, an increase of $80. It was revised in April, 1974, and elevated to $1,231, an increase of $21. And for 1975, it is proposed to be $1,391, or an increase of $160.

When you look at the overall educational expenditure in the two levels, we find, as of 1975, according to the new ceilings, 61.4 per cent of the dollar will be going to the secondary level—referring to just the elementary and secondary pupils—anl only 38.6 per cent, roughly, will go to the primary level.

That is the per-pupil grant. That differential is much too high. In 1973, the differential between elementary and secondary was $500. In 1974 it was raised to $527. Now, as a result of the $80 the ministry is going to add beyond the 13 per cent increase in 1975, the differential between the elementary and secondary grant is $515.

Mr. Chairman, the ministry is not closing the gap; we are not even where we were in 1973. The difference is far too great. Now that elementary school teachers are just as qualified academically as secondary school teachers to teach and to earn a good salary, more money must be provided to the elementary schools to cover teachers' salaries and other necessary school programmes that may be needed as a result.

Further, greater emphasis must be placed on training in the primary years. It is far more important to have superior instruction in the lower grades, when children are learning life-long approaches to problem-solving. It is better to educate children properly when they are young so that remedial classes will not be needed in later years. It is better to identify those children with learning and

other disabilities at an early age than to deny them special education classes and courses to minimize or overcome their learning difficulties. It is better to have a lower pupil-teacher ratio in the early development age of the young learner than to deny him or her quality education.

Mr. Chairman, the minister should follow the recommendation of the federation of women teachers. They agree with providing percentage increases, providing you give, as they recommend, a flat sum payment above ceilings and also flat sum increases on the two sets of ceilings—elementary and secondary. In addition, they would like $80 a year until the grant structure between the two levels is identical. If we want quality education; if we want our youth educated better at lower ages, and if we want to avoid a lot of social problems, we are going to have to progressively reduce the difference between elementary and secondary grants, and not by lowering the secondary grant. The secondary grant must continue to increase according to the cost of living, but the elementary grant has to be increased substantially so that within four or five years there will be no gap between the two.

All this, Mr. Chairman, means that more financial resources will have to be funnelled into the lower end of the educational pyramid.

The minister recognized the fact that elementary and secondary school grants should become more comparable when he added that $80 for elementary students. This doesn't go far enough. You have to continue giving that $80 a year until both are on a par. Only when both receive the same amount of money are we going to find many needed innovative programmes implemented by boards on the elementary level. But this will happen only if the grant structure takes into consideration the needs of elementary school teachers and does not deny secondary school teachers their right to the education tax dollar.

Mr. Chairman, I have a lengthy letter from a principal of the Reginal School in Ottawa concerning the need for the elimination of the differential. I am not going to read the whole letter because it would take a little too much time and I assume that the ministry has received it, but I am going to read the one paragraph. It refers to page 42 of the report of the provincial committee on aims and objectives of education in Ontario, and I am quoting:

> Seventeen per cent of the growth in school achievement will occur between the ages of four and six, with another 17 per cent taking place between six and nine. Thus, the most rapid period of growth in school achievement would appear to occur during the age span encompassed by nursery school, kindergarten and the primary years.

That in itself is self-explanatory. It is certainly an indication of the need to increase the dollar expenditure on the elementary level so that we overcome or minimize a lot of the problems that our present young are confronted with.

I have another study from Great Britain that shows the difference with inner-city schools and schools on the fringes of a community and how students in the inner-city schools are generally discriminated against. I'm not saying that that takes place here, but I would say that the quality of education is in a lot of instances not up to par—no, I shouldn't say not up to par, but not as high as it is in the outer-city schools.

I have only one or two smaller topics that I wish to bring up to the ministry; the balance will come up when we discuss the individual estimates.

I brought it up with the minister in the other years the equality of educational opportunity as it affects the separate schools. Now the problem of equality of educational opportunity still hasn't been resolved in the separate school system. Since the advent of the Ontario foundation tax plan of 1964, a progressive erosion of the financial inequality between the public and the public separate schools has narrowed the gap. However, I must point out to you, Mr. Minister, that the total revenue per pupil between the two systems still is not equal. Until equality is reached, you are discriminating against one of the two systems.

Mr. Minister, I think you have to strive for equality of educational opportunity as far as the elementary and secondary levels are concerned. I am referring to grades 9 and 10. I would think that could be reached to a certain degree if the grant structure to the elementary schools is exactly the same as the grant given the secondary schools. It makes no sense, Mr. Chairman, to be endowed with similar potential, then left without the means to realize that potential. A student who goes into a public Catholic school is being discriminated against and does not have the same educational opportunities because the grant structure is not the same as it would be in a public school.

Mr. Chairman, six years after the Hall-Dennis report, "Living and Learning," which promised to liberate and enlighten our schools, controversy, backlash and resentment have sprung up as a result of changes in our school system. Many people now question the innovative open-school concept schools, freedom in subject choice, and the high school credit system.

Under the credit system introduced two years ago a student needed 27 credits to graduate. But he often wasn't told which courses he should take, and quite often his parents didn't know. You'll say it's the parents' responsibility to find out, but it's pretty hard for a parent who has worked eight, 10 or 12 hours in a day on a construction job, to have sufficient energies to go to the school to discuss the programme that his offspring should be taking. In addition to that, in a lot of the schools the number of guidance counsellors is extremely limited, so that the counselling to the youngster is not really what we would really like to see.

Since the introduction of the credit system in its original form, Mr. Minister, you have modified your position somewhat. Students who entered grade 9 in 1974 now have to take four credits in English and two in Canadian history before they graduate. However, Mr. Chairman, I believe that it's essential that a core curriculum be established which will accept the concept that students graduating from our system will have an appreciation and a working knowledge of math, English language, English literature, French language, French literature, and a much better appreciation and understanding of the historical background of our own nation and its place in the world. When I say that you must include these subjects in a core curriculum, I don't necessarily say that these subjects should be taken throughout the four years in the curriculum, but the students should be required to take these courses in an attempt to become that much more appreciative and more understanding of our background and our own nation.

Mr. Chairman, I also have another area that concerns me personally, and that is physical education. I believe that physical education must have a more important role in our school system.

It has been demonstrated that Canadians are among the most unfit people in the world. Federal government surveys show that 80 per cent of Canadians are completely inactive and that 50 per cent of Canadians are overweight. Children in particular show disturbing signs of being unfit.

Mr. Deacon: The chairman is rather upset by your comments.

Mr. B. Newman: No, I think the chairman does jog, but his jogging is done from a sitting position.

An hon. member: Too much maple syrup.

Mr. Chairman: The member may continue.

Mr. B. Newman: A researcher of children's fitness said that in Canada a child's fitness starts to decrease the first moment he or she enters school and sits down behind a desk. This should be the time to begin to teach individuals how to take care of their own bodies. We must not allow our children to get caught in the trap of sedentary living to which so many people in this province fall victim.

Physical education in our primary schools is often inadequate to meet the needs of the children. Qualified instructors are sadly lacking in the elementary schools, and it seems that most of the instructors qualified to teach physical education are engaged in secondary schools. There must be a shift in emphasis and an upgrading of physical education in the earlier grades, since this is the time when children's bodies are growing and developing most.

When we talk about physical education, the minister thinks that physical education is gymnastics, doing push ups, or kicking a football. That's part of physical education, but that isn't physical education. As a phys-ed teacher for quite a few years, at no time was that part of my physical education programme. It was as varied as my ingenuity would permit me to vary it, and I attempted at least to ensure that the students who were under my responsibility, when they left a phys-ed class, enjoyed the phys-ed class and almost invariably needed a shower because they did exert some energy and burnt up a lot of excess energy that may have brought them into mischief in programmes later on in the day.

According to Marc Lalonde:

> Large numbers of elementary schools are still without adequate physical education instruction and where gym classes are being conducted, they are often so unimaginative and sterile that the children are turned off for the rest of their lives rather than emerging from the school system as healthy and activity-conscious citizens.

Another problem, Mr. Chairman, is the content of the activities and the lack of carryover

effect. It has been shown that a lot of the sports played in schools are not played after the age of 14. It would be better to replace sports like basketball with tennis, golf, swimming and calisthenics, which could be kept up not only throughout the school year, but also throughout life.

I don't think we should replace them, but we should put more emphasis on these other programmes than on the traditional athletic teams that are the sole interest in some of the schools. I think you need athletic teams in schools because they help develop school spirit and they have a cohesive effect, but the programme itself should be more individual-oriented and oriented so that it has a carryover effect.

Another criticism of the gym programme is that a high percentage of the time is spent on the most athletic students. Programmes are often geared to those students who participate in the most competitive athletic sports. Unfortunately, they are not the ones who so desperately need the instructor's time; it is the sedentary student who will probably never compete in athletic activities who needs help. In order to foster a change in attitudes, we should launch a massive educational programme to convince educational administrators of the importance of physical fitness and its contribution to health.

If we want to cut the health expenditures in the province we can only cut them substantially if we start with our youth and make them physically fit and keep them physically fit. It's too late for some of us—I'm talking about myself—but at least we could start with the youngsters at the elementary level.

Mr. Deacon: The member for Kingston and the Islands (Mr. Apps) arranged our hockey games.

Mr. B. Newman: The member for Kingston and the Islands certainly would talk exactly the way I'm talking were he in the House. He was so concerned that he has arranged for hockey time so that those of us who are interested can at least get on the hockey cushion and enjoy a few moments of some physical activity.

Hon. Mr. Wells: Be careful. We don't want any more by-elections.

Mr. H. Worton (Wellington South): We might have a few more by-elections.

Mr. B. Newman: I'll have to repeat the last sentence, Mr. Chairman, so that everyone will get the drift of the balance of the paragraph.

In order to foster a change in attitudes, you should launch a massive educational programme to convince educational administrators of the importance of physical fitness and its contribution to health. This should be coupled with adequate governmental support for the continuing education of teachers responsible for physical education and health programmes, particularly in elementary schools. In addition, support should be made available to enrich the curriculum with physical fitness and balanced sports. Boards of education should be encouraged to increase their fitness activities and support to make these activities available to the community whenever possible.

You know, we're only two years away from the Olympics programme, and certainly we should gear our programme into a concentrated effort to at least improve the physical fitness of our whole Canadian nation in the next two years so that we won't be sorry examples in the eyes of the world. With the Olympics coming up in two years, it's time we started paying more attention to the fitness of Ontario students.

There is an experimental programme that the North York board is carrying on and which is really worthy of mention. This programme started in 1972-1973 when there were five control groups and five research groups in the programme. Pupils were given some form of physical activity every day in order to see if it would help their ability to concentrate and do better in their schoolwork. Teachers noticed a real improvement in their pupils' working attitude. So you can see that engaging in physical activity likewise developed the mental activity. The Turner Club, which is a gymnastic organization in the United States, always used the motto: "A sound mind in a sound body." I think it's very apropos, and we should certainly develop a sound body as well as a sound mind.

Right now the programme is being conducted on a volunteer basis. A great number of teachers and principals are being involved in the programme. Teachers are being asked to provide their students with up to a half-hour of physical activity every day in order to improve their pupil's motor ability and ability to concentrate.

I notice that Saskatoon started with a programme known as "Participation." They started in 1973 and I think it is the kind of a programme we could have in the Province of Ontario. It certainly wouldn't hurt and could, if conducted properly, eventually end

up in being a substantial financial savings to the taxpayers in the reduction of our health service bills.

While it is good to have fitness in the schools, Mr. Chairman, not only should we be concerned with fitness in our schools, but we should likewise be concerned with nutrition.

A Toronto-based weight reduction organization took a survey of the food served in 26 high school cafeterias and concluded that they dispensed foods which offer poor nutrition and contribute to obesity in later life. Its survey recommends government subsidies for school lunch programmes so that profitable but nutritionally detrimental foods can be eliminated from school cafeterias. Although teenagers may crave french fries, pastries, chocolate bars, and other so-called junk foods, menus should be expanded to include more nutritious foods.

I know that including these nutritious foods in menus doesn't necessarily mean that they are going to go ahead and purchase these types of foods, but at least if they are available it will be our attempt to see that the foods provided in a school lunch programme are nutritiously advantageous for the student.

The survey conducted by this group says that only seven per cent of the menus offered in schools are prepared under the recommendation of a nutritionist, and 30 per cent under a dietician. So, that you can see that from 70 to 93 per cent are just set up by the operator of the cafeteria or the lunch room himself without any concern as to the nutritional value of the food.

Greater emphasis should be placed in our curriculum on teaching students the basics of good nutrition. Now, a paper submitted by the National Council of Welfare, called "One Child, One Chance," is a report on nutrition and does have some interesting facts on effects of poor nutrition on the individual.

I had originally intended to read about four pages of it; but I will read just a few paragraphs, or a few sentences.

The report says, "Poor nutrition affects learning in a variety of ways"—so you can see that if we expect our students to be able to achieve in the school, we have got to be able to feed them properly. If you come from a poor and a disadvantaged family when foods are not available in the right quantity, or if proper foods aren't available, then you are going to have children going to school who are either underfed or poorly fed, and as a result, you are not going to have the same alertness on the part of the student. The learning process is something that occurs in steps, and malnutrition interrupts this learning process I quote:

> The poorly nourished child has trouble paying attention, is more likely to fall asleep in class, is more restless, more irritable, less alert. And all of this contributes to how children learn.

The poorly nourished child is very often "constantly sick, fatigued, hungry, badly clothed and not too clean," and is easily distracted in school. They have become a problem for the teacher, they have a high absentee rate, their school progress is delayed, and all this as a result of poor nutrition.

So you can see, Mr. Chairman. not only should we attempt to concern ourselves with the physical fitness of the youth. but we should also attempt to concern ourselves with providing proper nutrition I know you will say that is not the responsibility of the Minister of Education. Well, it can be the responsibility of the Minister of Education in setting up proper school lunch programmes. or maybe even subsidizing the disadvantaged and poor with a lunch programme in the schools. Japan, for example, provides nutritious meals to all its school children.

Mr. Chairman, there is one other topic that I wanted to make mention of, and that is the superannuation. I think it's about time that the ministry cleaned up the position of the government in respect to the investment of funds being held by the superannuation commission. I think that this information should be provided to each of the federations as well as to the superannuated teachers of the province, so that once and for all they know just exactly the status of the fund and also know the explanation given by the government for the reason for not investing their funds at substantially higher rates of interest than they are being invested today.

The superannuated teachers make a very good plea when they say that their superannuation should be tied in to a cost of living. They've made that plea to the minister. They don't want to see it tied in on an ad hoc arrangement to maybe two per cent one year or four per cent the next year. If it's tied in directly to the cost of living or within some percentage points on the cost of living, then they know that they have at least constant dollars as far as their superannuation is concerned.

They have made a plea to you, and they have likewise talked to your leader. How-

ever, they don't seem to be able to get you to listen in an attempt to resolve the problem. I hope you do pay attention to them.

Hon. Mr. Wells: Have you not read the Premier's statement on this?

Mr. B. Newman: You haven't tied up their superannuation to a cost of living factor. have you?

Hon. Mr. Wells: We have accepted it on principle. Did you read the statement?

Mr. B. Newman: Would you mind providing me with the statement then?

Hon. Mr. Wells: Yes.

Mr. B. Newman: All right. Do it after the supper break. If it has been tied to the cost of living, I think that that is the right approach used by the ministry.

Hon. Mr. Wells It has not, but the principle has been accepted.

Mr. B. Newman: Well, accepting the principle of it but not putting it into dollars and cents doesn't mean a thing.

Hon. Mr. Wells: There is a working group working out the details.

Mr. B. Newman: All right, if they are working out details, then I withdraw all my remarks and I would commend you if that is the way you are going to do it.

Mr. Foulds: Don't do it. Don't withdraw.

Mr. B. Newman: If they are going to hinge it into the cost of living, as the teachers want it. then I think that that's the right approach.

The other topic that I wanted to bring up was one that I discussed with the minister the other day and is one I have discussed with his officials and that is the factor of the funds received by the ministry from the federal government concerning post-secondary education. I am referring to grade 13 students attending private schools, Catholic schools, Dutch-reformed or any other type of school. In my conversation with Mr. Tidbury back on Oct. 2, he made mention to me that the way the grants are obtained is that they take the figures from the tax-supported grade 13 schools and provide these by some indirect methods eventually to Ottawa. Then Ottawa pays 50 per cent of the approved expenditures for grade 13. They do not, as he said, take statistics and information from the non-tax-supported private schools.

Mr. Deacon: Has he supplied the evidence to that?

Mr. B. Newman: I hope that the minister will come along and provide us with all of the information on that so that, once and for all, there won't be the concern of those who have the idea that Ontario is receiving funds from Ottawa for students enrolled in the private grade 13 programme and that those funds are not being funnelled down to the student and to the school system itself. Mr. Minister, I think you could clear the air on that.

You could likewise let us know if prior to 1971 you did receive funds. I think you should reply very clearly so that those who are concerned will know just exactly that the tax dollars are not forthcoming or are forthcoming from Ottawa and are or are not being funnelled down into the post-secondary schools conducted by private groups.

Mr. Chairman, I have a lot more comments that I could make but rather than make them now, I'll make them in the individual votes later. Thank you.

Mr. Chairman: The hon. member for Port Arthur.

Mr. Foulds: Thank you, Mr. Chairman, I think, I'd like to start by welcoming Mr. Waldrum to his present position. I believe this is the first time in this position he's had the estimates, and I hope that he enjoys them.

It's the third time I've had the privilege of leading off as the spokesman for the New Democratic Party on the estimates for the Ministry of Education. In 1972 and 1973 we had lengthy and exhaustive examinations of this ministry's spending. This year, because of the time constraints, we as legislators have the total time limit of about eight to 10 hours for this $1.5 billion budget. Therefore, our caucus strategy will be as follows:

We plan to debate our party's well-known stance favouring full and free collective bargaining, including the right to strike for teachers at the appropriate time, when that particular legislation is presented to the House. If it ever is.

Two, we plan to take a broad, panoramic philosophic look at the direction, aims, objectives, purposes and structure of education during the debate on second reading of Bill 72, the Education Act, 1974, commonly re-

ferred to as the consolidation of the Schools Act.

This way we plan to save some time during the estimates debates. During these debates we plan to take specific aim on five major political and educational subjects of current concern and interest.

No doubt some of my colleagues will have a few individual matters of concern they wish to bring to the minister's and to the ministry's attention. We plan, therefore, to make our remarks as succinctly as possible.

We view education in a fundamentally different way than do Liberals and Conservatives.

Mr. F. Laughren (Nickel Belt): That's for sure.

Mr. Foulds: The Liberals and Conservatives view education simply as a tool to reinforce the status quo. The New Democratic Party sees education as a means for social change. We see education as a way for individuals to free themselves, their intelligence and their spirits in order to help their fellow students and their fellow men to do likewise.

In economic terms, Liberals and Conservatives are reluctantly committed to making poverty endurable. We in the New Democratic Party are committed to the eradication of poverty. In educational terms we are committed to the eradication of ignorance and prejudice. Because of our view of society, we feel that the provincial government's spending priorities must be on services to people. We count education as the primary service to people.

We view education, not as the private preserve of the ministry and its educational bureaucrats, or of board administrators, or even of trustees. We view education as a partnership between those who serve and those who are served by our educational system. We, therefore, welcome the participation of the community, of parents, of students, of teachers in the formulation of educational aims and objectives, as well as in the formulation of educational policy.

For example, we believe that those who speak any language as their mother tongue have much to contribute to our society. Therefore, for non-English and non-French speaking students, academic instruction at the elementary level should be provided in their own language with a proportion of English and/or French being increased over a period of years, so as to maintain their academic competence and their cultural integrity.

Where there is a sufficiently large ethnic minority, their language and its grammar, should be taught, along with their culture and history, as optional subjects for study later on in the curriculum. A competent translator should be made available through the school system to facilitate teacher-parent-child consultation where the parents do not speak the same language as the teacher.

A New Democratic Party government would take steps to reorganize financing of education in Ontario by the following means: The progressive removal of the education component of municipal property taxes. For example, we would fully compensate municipalities and boards which immediately remove the education property tax from those on fixed incomes, including pensioners. We would reorganize the financing of education in Ontario by using a progressive provincial income tax so that those who can afford to pay pay the greater share. We would reorganize the financing by applying educational taxes on to the corporate sector, including the resource sector, because so much of the training is going on in our school system directly benefits industry. We would reorganize the financing by allocating money on the basis of community need and school service rather than on the existing ceiling formula system.

I might add here, parenthetically, that we reject the Liberal policy of allowing a so-called local option to enable local boards to levy additional property taxes. Like the Treasurer's (Mr. White) streaker budget of last spring, the Liberal policy is attractive at first glance, but does not bear close scrutiny. What this policy would do is to balkanize our educational system. Those wealthy areas with a strong local property tax base would benefit enormously, while those areas with a low local property tax base would fall further and further behind.

Mr. Laughren: Terrible policy.

Mr. Foulds: Wealthy Forest Hill in Toronto would, therefore, probably have an excellent chance at an excellent educational system because of its local monetary base. Armstrong in Northern Ontario would have no such opportunity. Poverty breeds poverty in our educational financing. Our job is to equalize educational opportunity throughout the Province, not to increase the disparities. The Liberals seek to increase these disparities by their apparently attractive so-called local option.

The Conservatives, on the other hand, have through their ceiling system levelled

down education throughout this Province of Ontario instead of levelling it up through a system of incentives based on need. For this reason, Mr. Chairman, I would like specifically to deal in this leadoff with the problem of ceilings and per-pupil grants, especially in view of the minister's memorandum to chairmen of school boards re the 1975 expenditures ceilings. That memorandum is dated Oct. 4, 1974. We are now entering our fifth year of provincially imposed budget ceilings. The ceilings have been and continue to be a mechanistic response to the overexpansion of the physical apparatus of the Davis school system of the late 1960s.

Mr. E. W. Martel (Sudbury East): He created the monster.

Mr. Foulds: The ceilings have no doubt moderated educational expenditure to some degree, but they have done nothing to improve the quality of education. They have done nothing to alleviate the burden of the property tax on the pensioner nor have they encouraged the re-direction of educational spending on special education, on elementary education, or on language development. The educational ceilings have done nothing to maintain the level of basic skills taught in our schools.

Bluntly put, it is shocking that the minister only narrowed the gap in allowable per-pupil spending between elementary and secondary students by a paltry $12. Knowing the present anti-education bias of the government, I suppose we should be thankful that this tiny step was not achieved by cutting back on secondary spending.

Mr. Laughren: That's right. Did the minister ever think of that?

Hon. Mr. Wells: We wouldn't do that.

Mr. Martel: When are you going to get into the 20th century at the elementary level?

Mr. Chairman: Order, the hon. member for Port Arthur will continue.

Mr. Martel: The type of grants is a disgrace at the elementary level.

Mr. Foulds: However, if the government was genuinely sincere about giving a high priority to education and especially about increasing services to elementary school pupils, it should have taken the following steps: An immediate lump sum increase in the elementary per-pupil ceiling of $150; a commitment to raise this by $100 annually, as well as the general percentage increase of 13 per cent until the catch-up between elementary and secondary schools had been achieved; the general 13 per cent increase for elementary pupils should be calculated on a new base figure arrived at by including the 1974 limit, plus our proposed $150 flat increase; and the 13 per cent general increase for both secondary and elementary levels should be subject to quarterly adjustment to meet inflationary increases throughout the coming year.

These steps are entirely justifiable. The minister himself admits that more investment in primary education will reduce later drop-outs. He also says, in that memorandum, I believe, "One cannot over-emphasize the importance of the early years of a child's education." To give his words meaning he should emphasize them in a practical, monetary way. The purpose of these steps must be to reduce elementary class sizes dramatically as well as bringing elementary teachers up to the financial level of their secondary counterparts.

Mr. Martel: About 15 to one.

Mr. Foulds: Fifteen to 18 to one. Absolutely. Only if these kinds of measures are taken will the Minister of Education and the Conservative government demonstrate a commitment to the needs of our educational system, and especially to the all-important primary grades.

Mr. Laughren: You'll have to wait for an NDP government.

Mr. Foulds: I want to emphasize that our party's commitment to elementary education in no way diminishes our commitment to the other sectors. You don't rob Peter to pay Peter, let alone rob Peter to pay Paul. The government must fundamentally re-order its priorities. It has to stop its obsession with Hydro head office buildings, with magnetic levitation transit systems where the magnets don't work, with high-visibility projects of the Ministry of Natural Resources in an election year and with Coney Island tourist traps like Ontario Place. One simply does not deny secondary education its rightful share of the educational budget to improve elementary education. You deny, rather, the so-called high-visibility projects of doubtful merit which are seen as having a profitable political return in order to pay for social and human priorities such as education.

Education is pre-eminently a human activity. We learn because we see in others

talents and greatness of mind and spirit which promise to give significance to our lives as well. The struggle to realize such fulfillment is the measure of man. The classroom teacher has a privileged position in this activity. His daily encounters with young people allow him the opportunity to inspire their interest. If he perseveres, he may be rewarded by seeing in the achievements of his students the healthy growth of human minds and personalities.

But this is not an easy task. Teaching is an art, and as such, is quickly influenced by surrounding conditions. The Schools Administration Act wisely emphasizes that the first duty of supervisory officers is "to bring about improvement in the work done in the classroom, by inspiring the teachers and pupils, and by sympathetically assisting the teachers to improve their practice." Without inspired and inspiring teachers, the education of the young in our schools turns into an arid routine. The system may grind on but the spirit is gone.

Response To Change has become the slogan—it is merely a slogan—of Ontario's ministry of education. The challenge to education in the past 10 years has been great. For example, secondary school enrolment has grown from 40 per cent of the eligible age group in 1950 to approximately 80 per cent of the eligible age group in 1970. This fact, tied to the post-war baby boom, has shaken the educational establishment of this province.

The list of consequences is startling. In the late 1950s, it began with three things: The provision of free textbooks; the end of extended lunch hours for the shortened period; the increase in busing of rural students.

The Sixties began with the Robarts plan which converted vocational schools to composite schools. The threat of Russian educational supremacy created a hardware explosion as learn-quick techniques became popular. The external examinations were dropped, and emphasis given over to the teacher-initiated programme. This made inspectors redundant and led to the opening of regional offices and the onset of the consultant.

Hall-Dennis appeared, and we peered cautiously around the corner of rote learning methods to glimpse a golden age.

"Course prescription" changed to "guidelines" which in turn became subject to "cyclical review," now every two years instead of every year. Experimental programmes and options proliferated. Timetabling began to pulsate and traditional subject equilibrium spun awry.

Philosophical debate raged. OISE was stillborn to steady us with research and analysis, none of which has really filtered down to the classroom teacher. The computer arrived. Suddenly it was discovered, almost as if for the first time, that students had never been treated as individuals. HSI began mutating in 1969. "Social adjustment" was erroneously made the opponent to so-called "elitist excellence."

And the credit system brought semestering.

Through all of this, educational costs increased dramatically. Then the reaction set in, as student enrolment dropped off. Ceilings brought matters to an abrupt halt. All those new schools began to bother the educational conscience as well as the public pocketbook. Therefore, the concept of the 12-month school year emerged.

The county and regional board system drew small boards into one system, or two boards into larger systems, and usually produced a new board office, and an enlarged administrative staff. This in turn, removed educational decision making from the classroom, and from the public.

What does all this mean? Excitement, and much agitation. But the fundamental reality of education remains; students and teachers engaged in the timeless activity of learning. But now there is a difference. The focus upon change disrupted the student-teacher relationship. It over-worked the already hard pressed classroom teacher, while downgrading his importance. Thus, the importance of the student diminished.

With change came the conviction, on the government's part, that the system alone could solve the problem. But the key to education of young people is not individualized time-tabling, semestering, educational hardware, computer programming, improved school plans—important as each of these may be. The key is still inspired and inspiring teachers working with eager and curious students. That is just what has suffered most. Whatever merits all the individual changes may have—and each has its proponents—the fact remains that anxiety has grown in the minds of teachers, uncertainty has grown in the minds of pupils, and doubt has grown in the minds of parents.

Less satisfaction is now derived from class room activity. System has triumphed, and the human spirit has been diminished.

I want to state clearly, Mr. Chairman, the desire of the New Democratic Party is to

restructure the school system in a positive and fundamental way. We will stop the aimless drift and destruction that has taken place in education, especially during the past six years.

We will inspire parents, teachers, pupils, and, therefore, our society, with a new sense of purpose because we will actively involve them in the planning and running of our educational system.

Education under a New Democratic Party government will be creative. It will be tailored to suit a child's individual needs. It will be challenging and it will teach basic skills. It will recognize the child as part of his family and his community.

We will make education the cornerstone of a truly creative learning society.

Thank you, Mr. Chairman.

Mr. Chairman: Does the hon. minister wish to reply at this point?

Hon. Mr. Wells: Mr. Chairman. I think that in view of the fact that we are devoting a fairly limited time to the consideration of these estimates I will reserve the answers which I have noted during the course of the two speakers from the opposition parties, and deal with them as we come to those votes.

I have just two observations. I have been sitting here wondering if there is any particular significance in the fact that both my friend from Windsor and my friend from Thunder Bay are from two areas where grave teacher problems are on the verge of occurring. I don't know whether that is because they are there, or in spite of the fact that they are there. Perhaps they can enlighten me.

Mr. Foulds: In spite of the fact.

Hon. Mr. Wells: In spite of the fact that they are there. I was sure that is what they would say.

There is only one other observation that I would make, and I make this with all sincerity to my friend from the official opposition. He talked about finances. He indicated that there should be no ceilings. that his party would pay 80 per cent of an open-ended contract in fact, with complete local autonomy.

Mr. Deacon: You have to understand these things.

Hon. Mr. Wells: I do find it very difficult to understand, because also through my mind come ringing the words of your leader who time and time again goes around the province castigating this government for budget deficits. He says he is going to balance the budget, but yet is going to spend more and more money. And he suggests, here, 80 per cent of an open-ended contract. My friend said—

Mr. E. R. Good (Waterloo North): No, no.

Hon. Mr. Wells: —he wouldn't have ceilings; he would allow complete local autonomy.

Mr. Deacon: Would you like us to explain it to you?

Hon. Mr. Wells: You will have a chance to explain it to me, because I must say that at this particular point in time I have to recognize the much more responsible approach. Although I disagree with a lot in the speech of my friend from the New Democratic Party, he at least acknowledged the fact that you cannot go back to the era of complete local autonomy where schoolboards in this province can spend any amount and tack it on the local mill rate. You will completely reverse the trend toward equalization of educational opportunities, something which I am sure the Liberal Party probably would like to do. I like people to be honest and credible and straightforward, and the leader—

Mr. Deacon: You certainly appreciate the fact that he is.

Hon. Mr. Wells: I appreciate the fact that my friend from Windsor is, but I don't appreciate the fact that your leader is.

Mr. Foulds: Well, well.

Mr. Laughren: Boy oh boy. Is this the new Tom Wells?

Mr. Deacon: Mr. Chairman, it seems very difficult to get across to the minister the fact that the system of grants which is now prevailing is one that actually can encourage spending—other than the fact that it has put in a ceiling. In a situation where there is, say, a 75 per cent grant prevailing because of the formula, it formerly cost the schoolboard 25 cents to spend a dollar. No wonder you had to put in your ceilings. But the fact we are trying to bring to your attention is that on an unconditional grant basis where there is a specific amount worked out, it goes to the schoolboards. Anything they spend over and above that they have to raise one dollar for every dollar they spend. Then you have a different discipline imposed upon the schoolboard. But your system used to be a straight percentage. And no wonder you had to put the ceilings in.

We believe in the autonomy and the accountability of the local board, and our system will provide for that because we will use your system of estimating the amount it should cost to educate a child in the primary or secondary system. We will have a formula that provides for the difference in availability of financial resources from one area to another. There are plenty of ways of estimating that which the ministry has already used. Then you work out, on the basis of that percentage, the amount of the unconditional grant that is available to that board.

That certainly doesn't provide for discrepancy in availability of funds between one area and another, because it is already covered in the formula. It is completely out of keeping with this minister, who normally doesn't go off the track, in suggesting that our leader isn't being honest in the way he presented this case. He has presented it very honestly.

Hon. Mr. Wells: Mr. Chairman, my friend has still lost me. If what he says is so, he is talking about some form of control from here on expenditures, whereas he has been trying to give the impression that there are going to be no more ceilings; that everybody can do what they want at the local level, and we are going to pay 80 per cent of the cost. That's exactly what I heard him say. Now he is saying there will be some way to estimate what it should cost at the local level and then we will—

Mr. Deacon: You have the estimated cost in your estimate.

Hon. Mr. Wells: All right. We've got our estimates, so all you are saying is that you are going to keep the same procedure we have, but will pay 80 per cent instead of 60 per cent. Don't say that you are not going to have educational ceilings. They can do what they want at the local level.

Mr. Deacon: Mr. Chairman, we are not going to penalize the members of the board when they go over that amount.

Mr. B. Newman: Raise the ceilings.

Mr. Deacon: Their own ratepayers will penalize them if they can't keep within reasonable cost. That's what we believe in. The idea of having a penalty if you go over the ceiling is crazy. You treat them like children.

Hon. Mr. Wells: I suggest that what is really going to happen is that the school boards of this province would get less money under your system and equality of educational opportunity would start to vanish.

Mr. Chairman: It seems to me we should be starting to deal with vote 2701 in its broad sense because it more or less covers a policy in administration. When we come to vote 2702 we could deal with it item by item. Is this agreed by the minister and the hon. members?

An hon. member: Right.

Mr. Chairman: We will deal with vote 2701. The hon. member for Sudbury East wants to comment.

Mr. Martel: Mr. Chairman, the minister submitted a letter to me on March 12, as a result of a letter I had written to him earlier suggesting that the whole furor surrounding superannuation should be sent to standing committee. On March 12, 1974, the minister agreed. I'll just read him part of the letter.

> I can see no reason why the meeting which you suggest in your letter cannot be set up. As soon as it is possible for me to do so I will suggest a time and place for the meeting with the appropriate standing committee of the Legislature.

I had requested that representatives from the teachers and the government be in attendance. Because we are limited in time—only eight hours—and because the minister has agreed to send it to a standing committee to review the whole superannuation situation, could the minister indicate if he intends to honour that commitment? If so, maybe we could alleviate the necessity of discussing it during these estimates.

Hon. Mr. Wells: Mr. Chairman, I'd be very pleased to honour that commitment, I find that I am not the one who can necessarily direct that standing committee to sit and hear those things. I'd be happy to sit down with the chairman and suggest this. I am sure that any member can do this.

I don't think it's a case of that committee reviewing the whole question; it's a case of having the commission and ourselves there. The commission administers the Teacher's Superannuation Commission Act. They don't make the policy on it. The ministry is responsible for enacting amendments to that Act. We could have that group appear.

I have been faced with a time problem. We are going to go to standing committee very shortly with the consolidated education Act. which is going to take some time. But if it can be scheduled it is fine with me. I think it would be very helpful to have a good

discussion about this because there has been great misinformation about this whole thing in the press recently which I think has done a disservice to the fund. It has caused the matter to be clouded in the eyes of a lot of teachers in this province. I think it would be very good to have this discussion.

Mr. Martel: The minister knows that is precisely why I asked him if he would arrange to send it to a standing committee, because of the confusion that surrounds the fund and so on. It seems to me that's the only way we are going to clear the air. If we can have the government representatives on the commission and the teacher representatives from the commission. we can sit down and discuss it in a pretty frank manner, so that everyone is fully cognizant of where we are going with this. At the present time there is tremendous confusion amongst the teaching profession as to the pension fund and where it's headed.

We won't have time anyway now, but possibly the minister over the supper hour could have a discussion with the chairman of the appropriate standing committee and we could alleviate the necessity of discussing it during these estimates, so that we could spend the time on other things, knowing full well there will be another opportunity before the session ended to discuss the superannuation itself.

Hon. Mr. Wells: I just would like to say this, Mr. Chairman, there is only confusion about the fund in the minds of certain people. There is no confusion in our minds about the fund. There is no great confusion in the minds of the Ontario Teachers' Federation about the operation of the fund.

I met with the Ontario Teachers' Federation just vesterdav and we discussed certain changes they would like to see in the legislation. We set up a mechanism whereby we could handle these changes. We are going to set up a working group from our ministry to meet with the Ontario Teachers' Federation to discuss various changes in the fund that they might wish and that we might suggest.

This is exclusive of the matter of some formal arrangement to increase the pension to take care of changes in the cost of living each year which, as indicated in the statement I just sent you, has already been accepted in principle and is now being worked upon by a committee. This is also going on at the present time and the results of that will come forward in due course and again could lead to changes in the Act.

These things are happening. There is confusion in some sources but there isn't in others. I realize, however, that we should allay the fears of all people about the fund and I would welcome a chance to do it. The reason the standing committee on social development is a good place is that we can then bring some of the members of the commission and the staff down and you can engage in a discussion with them. Naturally, as I'm sure my friend realizes, in order to get at some of the very detailed actuarial things that he may want to talk about we need the expert staff there, and we may as well talk with them in a committee.

Mr. Chairman: The hon. member for Windsor-Walkerville.

Mr. B. Newman: Thank you, Mr. Chairman. I brought up the issue the teachers' superannuation specifically for the reason mentioned by the member for Sudbury East. There is so much confusion in the eyes of superannuated teachers and teachers, not as to the operation of the fund so much as the method and the types of investment that were practised by the teachers' superannuation board. On the same item, I made mention to the minister about gearing superannuation payments to the cost of living. The press release that you gave me did not make mention of cost of living. It's not cost of living in your release, that's just a one time deal.

Hon. Mr. Wells: No.

Mr. B. Newman: What the teachers want and the supannuated teachers want is this to be an annual escalation in their supannuation and to hinge it right to the cost of living. You made an eight per cent contribution last year to some of them and the cost of living increase was substantially higher than eight per cent.

Hon. Mr. Wells: Mr. Chairman, first of all, I presume that my friend heard the statement that the Treasurer gave the other day about the investments. I think he explained it very well. He explained to you that probably the interest being paid on that fund at the present time is better than if that was operating all by itself, on its own as a pension plan away from the government and without the government guarantees. I don't know whether he gave you some of the figures, but you should see some of the figures of the yield and returns on pension funds and so forth in the private sector at the present time.

Mr. Deacon: Yes, far worse than this.

Hon. Mr. Wells: Sure, far worse than this. They are not earning eight per cent on all their capital, or over eight per cent as this fund is.

Mr. Deacon: But there are a lot of funds doing far better.

Hon. Mr. Wells: There are not too many that are doing far better, not of this magnitude and this scope. You don't take these huge sums of money and lend them out at 10 and 12 and 13 per cent.

Mr. Deacon: You can get good government at bonds at 9.75 per cent and there is nothing wrong with that.

Hon. Mr. Wells: I would suggest to you that when you consider the performance over the years and the guarantees that the government provides and all the other things connected with this fund, the arrangement is probably excellent. But anyway, that is something that can be talked about. Somebody can talk about that.

I think, though, that I want to just correct my friend if I can just read into the record two paragraphs from the Premier's (Mr. Davis) statement of June 12.

The first part of the statement deals with the four per cent and the eight per cent.

The second part says:

> In deciding upon this latest increase in pension benefits the government has also reviewed the possibility of developing a programme of regular annual adjustments for pensioners qualified under the public service and teachers' superannuation funds.

Mr. B. Newman: Just "review" it though; it doesn't say you adopted it.

Hon. Mr. Wells: Page 3 of the statement then says:

> It is our desire to institute a programme of this kind to the general benefit of those in receipt of pensions from the aforementioned fund as well as for present contributors who stand to benefit in the future. [Acceptance in principle.]
>
> For this reason I have asked the Minister of Education to initiate immediately discussions between appropriate government officials and representatives of the Ontario Teachers' Federation in order to come to a common agreement on a plan, the costs of which would be shared equally between the employer and the contributors. This group has been meeting and further meetings of this group will be held in the very near future. They are working on this particular thing which has been accepted in principle.

Mr. Chairman: The hon. member for Port Arthur.

Mr. Foulds: Thank you, Mr. Chairman. I want to expedite things as much as anyone in this House. I appreciate the efforts of my colleague from Sudbury East and the agreement of the minister to refer this to a standing committee, but as I understand it, the standing committee will deal only with the commission within the framework of the legislation. If I understand correctly, within the ministry there is, if you like, a committee set up reviewing various aspects of the legislation, according to the Premier's statement. Is that correct? There is already a ministerial committee?

Hon. Mr. Wells: No. What I was indicating is that the commission is charged with the responsibility of operating the plan and of carrying out the legislation. They are not charged with developing new policies. The development of new policy falls upon the Minister of Education and the government to initiate changes through changing the legislation. Once that policy is changed in the legislation, then the commission carries out the new policy.

So if we are going to have a meaningful discussion about teachers' superannuation and the fund and all those things surrounding it, we need both the members of the commission and the staff there to discuss things that are going on, and myself and members of my ministry to discuss policy—that is, possible changes in policy, which really are not the concern of the members of the commission as they operate under the existing legislation.

Now what I indicated was that in the development of changes in legislation and policy, as a result of a meeting we had with the Ontario Teachers' Federation yesterday we have agreed to set up a small working group, made up of some people in our ministry, some of whom are on the teachers' superannuation commission but also in our ministry and some other government people to meet with people that the Ontario Teachers' Federation will set up. We will discuss various things that they have talked about, that they wish amendments on or that they think we should consider, and some of the things that we think. So this will go on and we will talk about and consult on all the

various changes that might be brought forward in the very near future.

The only thing that group is not dealing with is this other matter which I just read to my hon. friends from that other statement. There is another group that has been meeting with people from the Ontario Teachers' Federation about this matter of annual adjustments, if you will, to keep up with the cost of living. And that committee is still on-going and is still meeting.

Mr. Foulds: I think I must make a few suggestions to both those committes before they get it into the works. I therefore want to bring to the minister's attention and to the committee's attention a few basic, and I think indisputable rather than controversial, things.

First, the number of superannuated teachers, as of September, 1974, in class A, totalled 7,585 where age plus service equals 90. In class B, which is 30 years service, at age 55 minimum, the number was 2,147. The startling point is that the number of superannuated teachers are receiving less than $5,000 a year. In class A there were 1,225, in class B 352.

Almost 20 per cent of the teachers on full pension, or close to full pension, are receiving less than the poverty line. These facts should be considered in any reorganization or restructuring of the teachers' superannuation fund, whatever the rights or wrongs of the present funding.

I want to bring to the minister's attention three or four individual cases I have had to deal with in terms of the superannuation fund.

Case 1: This teacher's age, plus service, equals 93 plus three to four months. She was six to seven months short of the 35 years service required for the full 70 per cent pension. She was short due to unemployment during the depression, caused by the low number of jobs available and family illness. The superannuation commission showed, in its response to this case, it is too rigid to allow individuals to pay into the fund later in life when there are extenuating circumtances.

Case 2: Several letters from Thunder Bay, dated June, 1974, pleaded for inclusion of a COLA clause. Most seemed to be grateful for the two per cent increase at that time, but really felt it was not a significant increase. It is worth noting that the people retiring now receive very little from the CPP.

Here are a number of items from those letters for some the price of food alone was "very frightening"; financial inability for one correspondent to visit his family and grandchildren; and the decision, on the part of one correspondent, to curtail volunteer activities in the community for financial reasons because of the high cost of gasoline.

The writers stressed the urgency of a true cost of living adjustment which will make the value of the pension stable. They are not asking for an increase. They are asking if the pension alloted in 1974 will be in the same number of dollars. They want to know if the value of the 1974 dollars will carry through.

Mr. B. Newman: Constant dollars?

Mr. Foulds: Constant dollars, right. The writers know Ontario is the wealthiest province in Canada. They know a few other provinces have better provisions, or appear to have better provisions. The annual report to contributors indicates to them that there are sufficient funds for a COLA clause.

I won't get into the whole business of the allegations. However, one of the facts the government might consider seriously, is the failure of the government in 13 different years, to pay its contributing amount at the same time the teachers did. These payments might very well make the fund more actuarily sound. A COLA clause could then be easily included.

I want to mention some suggested improvements. It seems to me anybody in this province who has spent 30 to 35 years teaching the children of the province should receive a full pension. That pension should be no less than $5,000 a year because they have contributed to this society for 30 to 35 years.

It seems to me self-evident that the pension plan should include a COLA clause, providing for automatic escalation. This, I believe, is what my friend from Windsor-Walkerville was asking, rather than the annual review that you mention.

I would suggest that the Ontario government should pay its matching share of the fund on an annual basis equalling the amount of the teachers' annual contributions. And it might consider the justification for paying what may appear to some people to be the amount of contributions in arrears.

I think it would be very helpful to teachers and to people in the province, as well as to us as legislators, that at regular intervals fully independent actuarial studies be carried out. As I understand it, the actuary at the present time is one of the government's appointees to the commission.

That causes, for whatever reasons, some concern.

It may be worth looking at—I believe it's at the 10 year contribution level—I think at that point the government's matching contributions plus the earned interest should be vested in the contributor. I don't believe that happens now. The term vested or vesting is the term for entitlement to a benefit. Is he entitled to both his contribution—

Mr. Deacon: He's always entitled to get that.

Mr. Foulds: But what I want to know is if he gets his, and the government's contribution and the interest on both?

Mr. Martel: He doesn't get the government's contribution.

Hon. Mr. Wells: After 10 years, he is entitled to a pension.

Mr. Foulds: Yes, but is he entitled to his, the government's contribution and the interest on those two contributions?

Mr. Martel: No. Only if he withdraws.

Hon. Mr. Wells: You do base the amount of the pension on the amount of the contributions.

Mr. Foulds: Is his contribution, then, based on the best five years, as the A and B pensions?

Mr. Martel: Best seven.

Hon. Mr. Wells: Best seven.

Mr. Foulds: Those are simply some suggestions I have before the committee goes into detailed study, and perhaps some of the areas of doubt we can examine in the standing committee. Thank you very much, Mr. Chairman.

Mr. Chairman: The hon. member for Sandwich-Riverside.

Mr. F. A. Burr (Sandwich-Riverside): On the same point, Mr. Chairman, I wonder if the committee is going to look at the fact that the percentage bonus is not the fairest method? For example, last year when you gave the eight per cent, a pensioner who had a $3,000 pension got $240 and—

Mr. Deacon: The rich get richer and the poor get poorer.

Mr. Burr: —a pensioner receiving $10,000 got $800. Which of the two, may I ask you, needed an increase more?

Hon. Mr. Wells: It depends what your status is. If they keep constant dollars or some percentage, each of them is entitled to the percentage.

Mr. Burr: Why could you not have taken the total amount that would result, eight per cent, and dlivide it equally; giving everybody approximately, say $500?

Hon. Mr. Wells: That wouldn't even be a true kind of COLA clause or anything like that. That's another method of adjusting, and I suppose anything can be considered. But even if it was felt unbalanced the way we did it, it was probably as fair as any.

I just want to say that certainly I share the concern of all the members of this House about the plight of all our senior citizens, whether they be superannuated teachers or superannuated public service employees or just members of the general public. I guess that's really the problem that we all face here: During those periods when these people gave their service, the kind of pension funds that we all come to expect now just didn't exist. And meagre as some of the teachers and public service pensions are, they're better than a lot of other people who worked for many years and ended up with nothing.

So governments have to decide what can be done for the older citizens in our society as a whole. This government has embarked on a property tax credit programme, drugs for people on the GAINS programme, all kinds of programmes which take a huge amount of money, some of which comes from the federal government. And of course the federal government has pension programmes and so forth; and then we have the specific areas such as the teachers and public service employees, over whose pension plans we have control, and we have to be able to do as much as we can for them. But we have to balance that off against doing things for all people in those age categories that we find in society.

Mr. Foulds: With that answer you're ministerial material; covering all sorts of things.

Hon. Mr. Wells: I just want to be very specific now on two areas that my friend raised. One is that while the standing committee will have a chance to go into a lot of the details, one of the fallacies that seems to be around is that the teachers contribute a lot more to the fund than the government. Now I just want to tell you that in the period Nov. 1, 1972, to Oct. 31, 1973, the teachers paid into the fund $60,438,000.00;

and the government contribution, including interest payments, was $154,344,000.00.

Mr. Deacon: You don't add the interest payments on that.

Hon. Mr. Wells: Well, the interest payment I have added on. If my friend realized how the fund operates, the fact is that there is an unfunded liability in the fund which the government pays the interest on, if you don't put the interest in, we would be putting more money in, in a bulk sum payment.

Now there has been some discussion that the government hasn't paid some of the unfunded liability. I want to tell my friend that that is all paid up. Any difference that there might have been about the amount of interest that should have been paid on that has all been paid up. The fund has all that money.

Mr. Foulds: But that is why you had such big mill rates for 1971-1973.

Hon. Mr. Wells: No, that actually is not so. Some of those payments have been made only recently. If you look at the estimates that we have before us today, you find that the payments into the fund that we are voting here today are $102 million, and I venture to say that the teacher contributions for that particular period will be probably about $65 million.

I don't know that this proves anything. It really doesn't prove anything except that this myth seems to be around that somehow the teachers out there are paying more into the fund than the government is paying into the fund, which is really a myth.

Mr. Foulds: Last year or the year before you only paid $14 million, didn't you?

Hon. Mr. Wells: No, we have always paid—

Mr. Martel: No. That is the carrot.

Hon Mr. Wells: If you look, you will see that there are different payments. There is the statutory payment which shows here as the $66 million in these particular estimates. Now that's the one that roughly balances off what the teachers pay us—$66 million for each. But the government pays in the interest on the unfunded liability, which is about $16 million in these particular estimates; and there are the interest payments on debentures that have been included. I don't know that this proves anything but it merely sets the record perhaps a little straight.

I am just going to say before my friend leaves that I will just read him the section out of the Act which says:

> All sums placed to the credit of the fund during a fiscal year, under section 22, shall be deemed to have been credited as of the first day of June in the preceding fiscal year, and the Treasurer shall pay interest thereon for the period between that day and the last day of the fiscal year in which the sum was actually received.

So in actual fact, while the teachers' contributions from the boards come in monthly to the fund, and the contribution from the government comes in once a year, this provides that you go back to the beginning of the fiscal year and pay interest on the period up until the time that payment has been made. Then, of course, once it is in the fund, it can be reinvested and is earning interest since then. So really, we have the same thing as if that money was being put in at the same time as the teachers', monthly. You are not really losing anything by a bulk sum payment once a year for the government contribution.

Mr. B. Newman: How much is in the fund?

Mr. Martel: The province, it seems to me, has got to establish indexing which makes sense. The indexing the federal government is using now, which presumably Ontario will follow, doesn't really make sense, because the indexing for people on fixed incomes is vastly different from the type we go by.

The indexing used is for the average person in Canada spending average numbers of dollars. It includes entertainment, car transportation and so on. But people on fixed incomes spend their money in a vastly different manner than the average Canadian resident who continues to work. The way we establish an index on how much the consumer price has gone up has no relevance for people on fixed incomes.

I have asked your colleague, the Minister of Community and Social Services (Mr. Brunelle). It might mean a second type of indexing, but it would be more realistic for people on fixed incomes than for people who are still earning. We would find out what the real cost of living increases are for those on fixed incomes, because they spend a larger share on food than does someone with a much larger income.

If this is going to be studied by the superannuation commission and the government, they had better involve the Minister of Community and Social Services, who should be looking at indexing for those on

fixed incomes as opposed to the average indexing across Canada.

Hon. Mr. Wells: I would be glad to pass this along to this committee.

Mr. Chairman: The hon. member for St. George.

Mrs. Campbell: Mr. Chairman, I would be remiss if I did not add my voice to those who have spoken on the question of the plight of the teachers who have taken or had to take early retirement, for example, because of ill-health. I understand they are not receiving the consideration necessary for them to be able to manage. It seems sad to me that, having given long years to the teaching profession, but having achieved neither the number of years nor the age of retirement, they are in a serious position. I would like the comment of the minister on that issue because I understand they are not receiving the consideration some others are.

Also I have received a number of letters from teachers telling me they have had to curtail their very limited social pleasures because their superannuation is not sufficient for them to do even the most meagre things, other than providing necessities. I did not bring the letters because in some cases they could be identifiable. But I have them and will be happy to give them to you for your attention.

If this goes into committee, will we be at liberty to discuss in detail these various matters; or are we going to be confined to a discussion of the role of the commission, the situation with reference to the fund itself and this kind of thing? Since you make the policies and since in some cases the active teachers are perhaps not as concerned about some of these teachers as the superannuated teachers themselves have to be, could they be invited to the committee to give their input, as well as that of active teachers?

Hon. Mr. Wells: Mr. Chairman, I had thought this was the standing committee where the members would be talking to the commission. This is really what we need. The members can talk to the commission and its staff; and find out for instance how they figure out disability pensions in the specific case you've indicated. I understand such people who are completely disabled are not reduced in pension, because of age. These are the kind of things you want to discuss with the officials.

We certainly are sympathetic to the plight of these people. I tried to put it in perspective with that of all our senior citizens in the province. I think you'll find that since 1970 we have increased pensions, albeit on an ad hoc basis. We began with two per cent increases at a time when the cost-of-living increase was about 2.27 per cent. This year we made an adjustment of eight and four per cent on the pensions for 1973-1974, which has meant that everyone in the past four years has had his or her pension changed, on an ad hoc basis, to try and keep pace with the kind of things we find in our economy.

Mr. B. Newman: That is the point I was trying to make.

Mr. Chairman: Shall vote 2701 carry?

Some hon. members: No.

It being 6 o'clock, p.m., the House took recess.

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Legislature of Ontario Debates

No. 117



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OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Ninth Legislature

Thursday, November 7, 1974

Evening Session

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

THE QUEEN'S PRINTER
PARLIAMENT BUILDINGS, TORONTO
1974

10

Price per session, $10.00. Address, Clerk of the House, Parliament Bldgs., Toronto

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LEGISLATIVE ASSEMBLY OF ONTARIO

The House resumed at 8 o'clock, p.m.

ESTIMATES, MINISTRY OF EDUCATION
(continued)

On vote 2701:

Mr. Chairman: The hon. member for Sandwich-Riverside.

Mr. F. A. Burr (Sandwich-Riverside): Mr. Chairman, I wasn't quite satisfied with the minister's response to my suggestion that the percentage be not used in giving these increases from time to time, if that's what's going to be done.

I would like to pursue the example I gave before where a $3,000-a-year pensioner was given the eight per cent and received, therefore, an increase of $240, and the $10,000-a-year pensioner received $800. Now, suppose that after another period of time goes by the next time there is a bonus or whatever it is called, and the percentage is 10. Then the person who started out with $3,000 would by now be getting $3,564, and the person who had the $10,000 pension originally would be getting $11,888.

This means that after these two increases the pensioner with the great need had received $564, whereas the $10,000 pensioner had received $1,880. This means that the spread between the two, which was $7,000, has become $8,316. Now, surely this is not an equitable distribution of the increases.

I was not complaining about the eight per cent increase; I was just complaining about the distribution of the eight per cent. I would urge again, when your committee is considering this matter and trying to work out a formula, that this aspect be looked into. Thank you.

Hon. T. L. Wells (Minister of Education): I am sorry. I didn't really, Mr. Chairman, mean to leave you with the impression that I had sort of dismissed this. I indicated, I think, that this would be passed on to the committee, which is still meeting, in its study of this whole matter. That will be looked at. I've been informed that when this last increase was brought in it was considered as one of the alternatives, but it was obviously rejected in favour of the other one for this time.

Mr. Burr: I just felt I didn't impress you enough.

Mr. Chairman: Shall vote 2701 carry?

Mr. J. F. Foulds (Port Arthur): No, Mr. Chairman.

Mr. Chairman: The hon. member for Port Arthur, who has taken his seat.

Mr. Foulds: Thank you. I would like to ask the minister what his relationship to OISE is and what authority he has over it.

Mr. F. Laughren (Nickel Belt): Incestuous!

Hon. Mr. Wells: Well, the answer to that is my relationship with OISE is very good, I think. My relationship, as I see it, is as the minister through which the Ontario Institute for Education reports to this Legislature, and the minister who has responsibility for the Ontario Institute for Studies in Education Act. But it doesn't go beyond that. It's not a part of my ministry—an operating branch of my ministry or anything like that.

Mr. Foulds: Do you have the authority, and if you have, have you given any thought to making sure that an independent review committee be set up to review the reasons that OISE has refused to appoint Dr. John Seeley?

Mr. Laughren: A good question.

Hon. Mr. Wells: No, I don't think I have the authority to do that. The board of governors is considering it on next Tuesday.

Mr. Foulds: The board is considering it on next Tuesday. Have you been in contact with the board about the situation?

Hon. Mr. Wells: Which situation?

Mr. Foulds: About the one surrounding the Seeley non-appointment.

Hon. Mr. Wells: Have I officially been in contact with the board? You mean, have I written the board or something like that?

Mr. Foulds: Have you talked to them? Have you telephoned them or had lunch with the chairman or—

Hon. Mr. Wells: I have talked to them about the matter, yes.

Mr. Foulds: Have you recommended to them that they should either set up an independent review committee or that they should seriously give some favourable consideration to appointing John Seeley, in view of the fact that the faculty association has, I think as recently as today, passed a resolution 49 to 2 in favour of such an independent review committee, and in view of the fact that the department concerned, the sociology department, unanimously or virtually unanimously recommends the appointment of Dr. John Seeley as the chairman of this faculty?

Hon. Mr. Wells: I am not sure what the hon. member wants. I understand the board is holding a special meeting to consider this matter next Tuesday. I can't think of anything more that they can do.

Mr. Foulds: Excuse me, maybe my memory is slightly faulty, but didn't you intervene in a previous appointment to OISE to ensure that a Canadian would be appointed? Was that about the director?

Hon. Mr. Wells: Yes, I wrote a letter to the institute—not in terms of personalities but in terms of the fact that the government of this province would look with favour upon the appointment of a Canadian to the position of director.

Mr. Foulds: Do you think that you could have the same sort of drive, will and desire to write the board a letter that appointing a Canadian who is internationally renowned in the field of sociology to the chairmanship of that institution would be looked upon favourably by your government?

Hon. Mr. Wells: No, I don't think so.

Mr. Foulds: Why is there a difference between the two circumstances?

Hon. Mr. Wells: The difference is that I was establishing a principle. In this case, I am not writing and saying appoint this person or so forth, and in the other case I stated a principle. It was stated that perhaps the institute, because of certain advertisements that appeared in certain places, was considering appointing a non-Canadian. As it turned out this wasn't the case. It was merely a very widespread dissemination of the fact that the director's position was open so that Canadians in various parts of the country could apply.

Mr. Foulds: I raise the matter because I think it's a matter of considerable concern to me personally. I have always shied away from attacking OISE during these estimates because I feel and have felt that it had a valuable and important role to play in education in this province. Contrary to some of the gibes that I occasionally give the minister, I do feel that in a way OISE is beginning to play that role. I cannot understand why the directors' personnel advisory committeee rejected the Seeley appointment. I have the memorandum which outlined their four reasons. I think I'll read a section of that into the record. I also have some other material that refutes that. I, too, want to put it on a matter of principle, Mr. Chairman, through you to the minister, because I think the principle involved here—there are probably three principles involved here.

One is that John Seeley is a Canadian of international reputation in his field. The second is: Who is OISE answerable to, if not to the Legislature?

Mr. M. Shulman (High Park): We won! It's all over!

On a point of order, if I may. My I?

Mr. Foulds: A point of party privilege, I would assume.

Mr. Shulman: On a point of party privilege, the final results are in, gentlemen—Gigantes, 9322, the Liberals, 9293, and somebody named Benoit, 6,800.

An hon. member: Who is Benoit?

Mr. Chairman: Will the hon. member for Port Arthur continue with the estimates?

Mr. I. Deans (Wentworth): Don't be that way. Be happy for us. We don't win much very often.

Mr. Shulman: We won—not by much.

Mr. E. W. Martel (Sudbury East): I'd sooner be that much ahead than that much behind, though.

Mr. Deans: It's a nice time to make it 22, you must admit.

An hon. member: What's the difference?

Mr. Shulman: Thirty votes.

Mr. Foulds: The big difference is Davis.

Mr. Martel: He's on our side, you know. Billy Davis is on our side.

An hon. member: You've got to keep Davis out in that province. Send him out more often.

Mr. Deans: Don't let him in the House at all.

Mr. Chairman: Order, please.

Mr. Martel: Just keep sending him out in the province.

An hon. member: Keep him out talking to the people.

Mr. Chairman: Order, please!

Mr. Foulds: Thank you for that good news, my friend from High Park. I'm sure the chairman regards that announcement as important as the announcement that we have guests in the Legislature.

Mr. Chairman: Order!

Mr. Foulds: As I was saying, Mr. Chairman, there are three principles, it seems to me, involved in the controversy surrounding the appointment—or the non-appointment—of John Seeley to OISE.

The first one, as I said, is the question of a well-known Canadian academic with international credentials being refused an appointment at an institution that should be interested in that kind of appointment.

The second one is: who is the OISE board of governors responsible to, if it is not responsible to the minister and this Legislature, in view of the fact that we vote them on this item, I believe it is, some $2,250,000?

Hon. Mr. Wells: Yes.

Mr. Foulds: And the third principle involved, I suppose, related to that, is the whole principle of accountability and the public's right to understand the situation in view of the fact that OISE is a quasi-public institution.

The directors' personnel advisory committee notified the sociology department at the institution, I believe on May 29, that it could not recommend the appointment of the man. These are the reasons that they gave. The committee raised serious questions about the usefulness to the department, and to the institute, for making this appointment. These questions were based on a lack of evidence in a number of areas:

1. Specifically on the basis of information contained in Mr. Seeley's curriculum data, the committee could find no evidence of recent productive scholarship normally associated with a senior appointment of this type over the past four years.

2. In light of the department's wish to employ Mr. Seeley, primarily in the teaching and methodology courses. the committee noted that Mr. Seeley has had no recent experience in this area.

3. Further, the committee could find no evidence of successful experience in working intensively with graduate students through to the completion of their thesis over the past several years. This seemed particularly important in view of the department's expressed intention to involve Mr. Seeley heavily in the area of student and thesis supervision.

4. Finally, the committee could find no satisfactory explanation as to the basis for the decision on the part of the University of Toronto's sociology department not to pursue Mr. Seeley's proposed appointment there this year.

Those four reasons look pretty good on paper, but the department of sociology at OISE felt sufficiently strongly about the matter that they sent the memorandum to Mr. R. W. B. Jackson, the director, on June 4, in which they put those four reasons point by point and disputed them.

On the first, that the director's personnel advisory committee could not find evidence of recent productive scholarship, they drew up a list of papers written and delivered by Prof. John Seeley only in 1973-74. That's as recent as you can get in terms of productive scholarship:

1. An article entitled "Administered Persons," presented at the department of sociology, OISE, printed in the scholarly magazine Interchange, in March, 1974:

2. "The Non-Petty Politics of Social Problems," the paper presented by the department of sociology, University of Toronto, Sept. 19, 1973.

3. "Redefinition of the Problem of Addiction," presented at the Addiction Research Foundation, Sept. 1973.

4. "Researchable Questions Bearing on the Death Penalty," requested by the US federal government national symposium on the death penalty, California, July, 1973.

5. "Epidemiology of Suicide and its Dangers," 40-page critique of the California state department of health, monographed by Nancy Allen, 1973.

6. Developed proposal and charter for Centre for the Study and Promotion of Peace and Justice and the Productive Resolution of Conflict in the Ghetto, Neuro-Psychiatric Institute, UCLA, 1973.

7. "Mr. T, A Black Male, A Case of Violence and Depression and Psycho-analytical and Socio-cultural Perspective," Neuro-Psychiatric Institute, UCLA, 1973.

8. "The Psycho-Technology of the Violence Issue," paper and preparation for transition, 1974.

9. "Theory, Reality and Recruitment," keynote address at UCLA series on alienation, 1974.

10. "The Idea of the Child, Punishment and Corporal Punishment; Invited Public Lecture for Series on the Rights of Children," University of California at San Diego, Jan. 1974.

11. "The Politics of Medicine," seminar paper at the UCLA School of Public Health, 1974.

12. "Law and Society," key speaker with Jeremy Stone for the Canadian Department of Justice policy seminar, Ottawa, 1973.

Now, 12 serious scholarly papers, three at least of which were published. That's a better average than most academics, I would say.

The second reason, no recent experience in the teaching of methodolgy.

This is part of the memo sent to Mr. Jackson by E. B. Harvey, the chairman of the department of sociology and education.

> Prof. Seeley has been involved in activities that bear directly on sociological methodology throughout his career, including the past few years. He has been involved in the planning of a number of projects that involve substantial methodological components. Two years ago he was the co-ordinator of the evaluation study of experimental schools in Berkeley, funded by the US office of education.
>
> Seeley ran a series of staff meetings on the planning and operationalization of all aspects of project methodology.
>
> Also, during the last two years he taught a joint seminar with Prof. Len Duhl in the Department of Public Health and Policy at the University of California at Berkeley on problems of methodology, which was taught to graduate students in the dual degree programme in health sciences and medical education. He played a major role in the development of a proposal to establish a centre for the study of violence. Not only is Seeley qualified to teach methodology, it is one of his main assets, and he has experience and expertise in all major phases of the research process. In his writings, in his research projects of the past few years, and in his interaction with students, he has been concerned with problems in the philosophy of science, in problem selection and conceptualization, in the theoretical grounding of research and the use of a range of data gathering and data analysing techniques and in the problems of interpreting and utilizing sociological data in action and policy contexts.

In other words, Seeley's expertise as a methodologist is confirmed time and time again. It is also confirmed in the references from all kinds of reputable scholars in his field.

In terms of the aspect of the position as a graduate thesis adviser, it is a fact that during the last four years Seeley has participated in thesis committees with Len Duhl of the College of Environment at the University of California, Berkeley. It is a fact that his experience involves at least four such committees, including a recently completed doctoral dissertation by Prof. Howell Baum. Seeley was responsible for the doctoral thesis seminar during his time at Brandeis, and that particular seminar was required of all doctoral students in the programme.

During the 1950s, which admittedly goes back some time, at the University of Toronto he was noted as one of the leading intellectual figures with the graduate students there. In other words, the charge by the director's personnel advisory committee simply does not stand up.

The most peculiar reason given, the fourth one, that they could find no satisfactory explanation as to why the University of Toronto did not appoint Seeley, seems to me to be a very strange reason indeed; and there is an implication and innuendo that perhaps could damage the man's reputation, which I think is very serious indeed.

If I may, I want to read in total the two paragraphs of the memo rebutting that particular objection by the TPAC.

> The decision of any given academic department made in terms of its own particular situation not to pursue a specific candidate, is surely not sufficient grounds for denying his appointment to another department. Certainly the specific basis for such decisions may vary from department to department. The criteria in our case [that

is, the case of the sociology department] at OISE were very explicit. We were informed by the chairman of the University of Toronto sociology department that the decision not to appoint Seeley was not based on any criteria similar to ours—for example, scholarship, teaching ability, etc. —but rather on internal political considerations, specifically the opposition of several senior faculty.

And that is a consideration when appointing a man, because if he can't get along with people he is supposed to work with, particularly as a chairman, then there are valid considerations to be given to that particular reason. But this posture was not shared by all the senior faculty at the U of T, first of all, particularly in view of the fact that Seeley has a glowing letter of reference from Prof. Norman Bell.

The critical difference is that there is no divisiveness whatsoever to be caused by Seeley's appointment at OISE. There is virtual unanimity by the sociology department on the appointment, and "surely unsubstantiated concerns of members of another department at the University of Toronto do not outweigh"—and should not outweigh—"an OISE department's unanimous recommendation, which is fully documented, plus the superb documentation of all the references."

I suppose the fundamental question is why then did not the directors' personnel advisory committee, and why has the board, not seen fit to appoint Seeley? And why has the board of governors continued to postpone the ultimate decision? Because the decision was made on June 26 that it was urgent for the department to have an appointment. They should have had it by this fall. Their enrolment is up 40 per cent. There is an acting chairman of the department, rather than a full chairman.

I really would urge the minister to take the necessary steps to ensure that an independent review committee is set up to review the decision and to see if there are justifiable reasons why the appointment was not made, in view of the support of the faculty association, of the students in the department, and of the faculty in the department itself. In view of that, there must be some overwhelming reason that the appointment was not made.

If the board and if the committee cannot make those reasons stand up, I believe that the minister should intervene. I believe he should intervene for a number of reasons. Is it possible that OISE felt that John Seeley was too big a name? That he was too well known internationally to make the appointment? I think that must be looked at quite seriously. He does have a reputation of being innovative. He certainly has a reputation of not being a company man. Is that the reason for the failure to appoint him?

What I want to concentrate on is the necessity for these kinds of boards appointed partly by the ministry, or partly by Lieutenant Governor in Council on the advice of the government, to act like the family compact—to make safe appointments.

Hon. Mr. Wells: You can't say that about OISE.

Mr. Foulds: I can say it about the board of governors.

Hon. Mr. Wells: There are all kinds of people on the faculty there.

Mr. Foulds: There are all kinds of people on the faculty, true enough.

Hon. Mr. Wells: And they are all appointed by the board.

Mr. Foulds: But the board, in this case, seems to have acted in a very strange manner, and I think the public deserves an explanation for that behaviour. I think it is your responsibility to give that explanation. Thank you, Mr. Chairman.

Hon. Mr. Wells: Mr. Chairman, as I said a few minutes ago, all these points are to be considered by the board next Tuesday. They're going to decide whether or not to establish an independent review panel at that particular time to study this case and report upon it to the board.

In case I've left the wrong impression with the hon. member, I want to tell him that I do not know Prof. Seeley. I don't recall that I've ever met him. But I do want to tell him that it comes to my mind, six months or so ago, one or two prominent educators in this province phoned me and indicated that they thought it would be bad for OISE if John Seeley was appointed there. I did communicate this information to the director, because these were very respected educators of this province. I communicated that information to the director and indicated to him that I'd had these calls. So I don't want to leave you with the impression that somehow I had never even known about this. These calls were made to me about six months ago, but since then I haven't heard anything more about it.

Mr. Foulds: Excuse me, but I'm flabbergasted. Are you willing to make public the nature of the calls you received and from whom?

Hon. Mr. Wells: No, I am not. They were private calls to me, just as I receive private calls about all kinds of things. They were just private calls to indicate an opinion on the matter. I said I had nothing to do with the appointment, I would pass on their concern. Perhaps you should indicate your concern directly to the person.

As I say, I do not know Prof. Seeley, but I guess he realizes that he is a controversial figure. For some reason or other I received a copy of a letter, from someone again at another university, which I gather has been sent to the Star. I would not presume to read the letter at this particular time because I don't know whether it's a public letter or whether it was ever published in the Star, but it indicates to me that this gentleman is a controversial figure in academic circles. I guess that explains the actions of the boards, perhaps, and why they are having a review and why the whole thing has not been, let's say, a normal type of appointment.

Mr. Foulds: I don't know if you understand the importance of what you have just said. What you have said is that you intervened—

Hon. Mr. Wells: No, I didn't.

Mr. Foulds: You conveyed to the director of OISE hearsay evidence from two "respected academics" in Ontario who are not willing to publicly damage the man. You passed that information on to the director. Obviously he took it into consideration in the appointment, and you, in fact, may have been the key in tipping the scales against Dr. Seeley. Now, unless there is substantiated evidence that you and those reputable academics are willing to make public, that seems to me to be the worst kind of interference. It seems to be—if I may say so, and I say it with great respect—that you were manipulating.

Hon. Mr. Wells: No.

Mr. Foulds: Then you deliberately passed on hearsay evidence. That's not very good behaviour for a minister of the Crown.

Hon. Mr. Wells: It is not hearsay evidence.

An hon. member: Corporal punishment.

Mr. B. Gilbertson (Algoma): Oh, come on.

Hon. Mr. Wells: My friend knows me better than that. I would not pass on hearsay evidence, but if someone phones me about a matter that he thinks is important enough to talk to me about, and I have no direct jurisdiction over it, I am going to talk to someone else about it and pass on that concern. I imagine that the concern that was passed on to me was passed on directly to the board, too. In fact, I'm sure it probably was.

Mr. Foulds: Well, I am not so sure that it probably was.

Hon. Mr. Wells: Well, I suspect that it was, and if it was, I think it would be quite proper that that concern should have been passed on to the board.

Mr. Foulds: But surely it was the responsibility of the reputable academics concerned to do that. Surely if they are going to indicate to an institution their misgivings about an appointment, they (a) should have the guts to do that themselves, (b) be able to back it up, and (c) be able to put it in writing and—I don't know quite how to phrase it—not to do it in a surreptitious way.

Hon. Mr. Wells: Well, I suspect that perhaps it comes about because of the same misunderstanding that perhaps some members of this House have about the role that the minister plays with the board of OISE. Some people seem to believe that we run OISE, that it's like hiring somebody for our department, and of course it is not. That's why I imagine people talk to me just as people complain to me about what goes on there and about how money is spent and everything, and I say there is a board of governors that has that responsibility, and there is a director, and they are the ones that are responsible.

But I suspect that others think that we, or I as the minister, since I am responsible for the Act, have a greater responsibility for the direct management of the operation than I, in fact, do. And for that very reason, they phone me about it.

All I'm saying is that I did have these calls, I recall, about six months ago and I passed them on to the director. That's all I can really remember.

Mr. Foulds: Well, let's just leave that for the time being, if I may. How do we change the board of governors at OISE?

Mr. Deans: Change the government.

Hon. Mr. Wells: How do you change the board of governors? You change the board of governors, I guess, by changing—Do you

mean changing the personnel on the board of governors? They are appointed under the legislation, some by the Lieutenant Governor in Council as representatives of the general public on the recommendation of the Minister of Education, and the others by appointment by specific groups. If you look in the Act, there is a long list of various groups—the Ontario Teachers Federation, the universities—in the Act, which I haven't got in front of me, which name people who are then appointed by order in council to the board. I think the hon. member realizes the board is holding this meeting next Tuesday, they will be considering the matter then.

Mr. Foulds: I gather you will be watching the results very closely. I think, if you have a faculty, which from my information at suppertime today voted 49 to two in favour of an independent review committee, that is, in effect, a vote of non-confidence in the board. If you have that kind of split developing between a board that is running an institution and the people who are carrying on the job at the institution, you have, I think, a serious problem on your hands. Because you are, as the minister, responsible for the administration of the Act, it seems you are also ultimately responsible for the good running of that institution. It seems to me a potential, very devisive split, between the faculty and its board, can hamper the good running of OISE.

Mr. Chairman: The hon. member for Windsor-Walkerville.

Mr. B. Newman (Windsor-Walkerville): Mr. Chairman, I wanted to ask if we could, under this first vote, discuss the disposition of surplus schools?

Mr. Chairman: I think this would come under vote 2701. I don't see it covered in any of the individual votes of the subsequent vote. I'll ask the minister as soon as he is ready.

Would the hon. minister indicate whether we discuss the disposal of surplus schools under vote 2701?

Mr. B. Newman: Also, the closing of certain schools.

Mr. Chairman: It would seem to the chair this is ministerial policy. I would assume this would come under vote 2701. We may as well discuss it now.

Mr. B. Newman: I know the minister is aware of the situation in the Pelham School where the residents wanted the school to remain, and also the controversy back and forth. There was also the concern expressed by the people in the Halton district about the Norval School. I wanted to ask the minister whether he is considering introducing legislation so that there would be an appeal when regional school boards decide to make changes, phase out, eliminate or close a school.

It makes good sense to give the taxpayers in the area the opportunity to express their thoughts concerning the school rather than the local or regional school board unilaterally closing it down. I would mention the Monarch Secondary School in the city of Windsor that was going to be closed out for this year. As a result of the concern of the residents who had children going there and those whose children may be going to the school in future years meeting with the board it was eventually decided to keep the school open. This didn't happen in the Norval or Pelham situations. I am asking of you, Mr. Minister, whether you are going to set up legislation to provide a procedure for appealing decisions of regional school boards?

Hon. Mr. Wells: Mr. Chairman, I have thought about that but I find it a difficult thing to do. If we believe in the autonomy of the local board and in all the things that we say about local government being closer to the people than other governments, and the things I hear from school boards about arbitrators, and how they can't have arbitrators setting policy for them, I really believe we have to trust the judgment of local trustees. I have met with both the residents and the boards in both the Pelham and the Norval cases. I indicated, as you have rightly stated, there is no appeal from the legislation. It is up to the board; they have the right to close that school if they wish. I think that in both cases a full hearing was given to all the residents and, at the meetings I attended, the board were very fair and frank in presenting their opinions and yet they still came to the decisions. Now, at this point in time, I can think of nothing else that they can do, and I am really not considering any legislation to appeal these decisions. Someone will always say to me, "Well, there's the OMB. You can appeal decisions of a council to the OMB." Well, of course, as I think my friend realizes, you can't appeal these kinds of decisions to the OMB. You can appeal zoning decisions and certain things on monetary matters, but if a municipality decides to close an ice arena in one area of the town, there's no appeal from that to the OMB. That's a decision that council can make themselves and I guess, just

as we are, they are ultimately responsible to the people who elected them.

Mr. B. Newman: I was going to bring up the OMB situation, but since you brought it up, there's no need to repeat it. However, it would make good sense if the residents at least had another body to whom they could appeal, present their case and be satisfied with a similar decision from the second body.

Appealing only to one body is almost the same as applying to the Liquor Licence Board for a liquor licence and being refused for some unknown reason, whereas if you had another body to whom you could appeal their decision, then perhaps you could present your case in a better fashion and perhaps convince them.

As I said earlier, the second body might uphold the decision originally rendered, but I think the taxpayer would be far more satisfied then than having a unilateral decision made on the part of one district board.

As I said earlier, in the situation regarding the Monarch school in the city of Windsor, I think the board approached that in the right way. They studied the situation and said it wasn't economically sound to keep the school in operation, that they were going to phase out the school. They met with the residents and explained everything to them. The residents were able to convince the board, the school was kept in operation and now it's overflowing with students. They increased their enrolment from 220 to about 280. In fact, if I am not mistaken, they have had to hire either two or three extra teachers to keep the school in operation.

When it comes to a school in the core area of a community, by phasing a school out in that area you are really penalizing and punishing those who live in the core area. Too often in the core area you have not the best type of housing in a community, and those who are economically deprived live there. As a result, you are depriving their children of the opportunity of going to a school in their area and making the families pay for transportation to a school miles away. We should be encouraging the students to go to school, especially those from economically deprived families; instead, we are discouraging them by making them travel farther. I am referring only in this case to a school in a metropolitan area or in a fairly large city. I am not referring to the Norval school.

But, getting back to Norval, I think it does make good sense to have some type of appeal procedure set up to let the people have their day in court, so to speak.

Mr. Chairman: Shall vote 2701 carry?

Vote 2701 agreed to.

On vote 2702:

Mr. Chairman: Any discussion on item 1? Item 2?

The hon. member for Nickel Belt.

Mr. Laughren: Thank you, Mr. Chairman. There is an issue in Ontario which simmers continually, and that's the issue of French-language education in our schools. I know all the arguments that are used by people who don't want to see a serious programme of bilingualism in our public schools, and some of them are valid.

For example, there is the argument that if you teach a child to be bilingual, he never gets a chance to use it. I can understand that. I have known people myself who learned French and then went years without using it, and they felt that they had put a lot of effort into learning something and never had an opportunity to use it.

But what I would suggest is that the French language be an option such as is recommended in the Gillin report, with which I as sure the minister is very familiar. I don't think it is useful haranguing the minister or blaming him for the problem of the lack of French in our schools, but surely the blame does belong with the Ministry of Education as well as with the school boards. I, for one minute, do not remove blame from the school boards for the lack of French in our elementary schools.

In the Sudbury area, a situation arose which I thought was classical and should be documented and should be put on the record, as we are wont to say in this chamber. Last spring the Sudbury board sent out a questionnaire to people in the Sudbury Basin asking them if they would be interested in a French immersion programme starting at kindergarten and going through to the end of Grade 4, I believe it was. In the questionnaire, they made it quite clear that transportation would not be provided—the parents would have to provide their own transportation.

When they had a response to the questionnaire there were public meetings set up throughout the area and certain areas were designated as having the kind of response that would indicate there was a demand for an immersion programme beginning at

kindergarten. But all the time the board maintained that they would not provide transportation.

I have a certain conflict of interest in this matter because I have three children and one of them would have been starting in the kindergarten programme this past September. I was quite excited about that—so were my children and so was my wife. But when they indicated that transportation was going to be up to the parents, it was like slapping the people's faces. After they had thought there might be a chance, finally, for their children to become bilingual.

What they were doing by saying that people would have to provide their own transportation was that if you are fortunate enough to have two cars—so when the husband is at work the wife can drive the child to school—okay, you can plug into the programme. Because what people were being asked to do was commit themselves to five years of driving their children to school.

The illogic of it confounds me, because the board has a policy which says that they will drive students to school at the secondary level. They go to the nearest school unless the programme they need isn't there, it is offered at a further school and they will drive them to that school—if it is a shop, for example, or if it is a particular business programme. But here we have something as important as a second language and the board won't do it. I think the board stands condemned on that. I am very disappointed. I don't think they have provided the kind of leadership they should have in the Sudbury area for the teaching of French in our schools.

I made a personal appearance to the board with some ratepayers to argue for it, and I wrote to the board. I said, "Would you please tell me if there is any argument I can make with the ministry, as the provincial member, to give you support on this?" The letter I get back from the board of education, after my offer to help, was this:

> Dear Floyd:
>
> Thank you for your letter of Dec. 5 addressed to Mr. G. W. Thompson, outlining your concerns about the teaching of French in the Sudbury school system. Your letter was referred to me for reply.

This was the superintendent of programmes.

> Our present oral French programme extends from grades 5 to 8 in our elementary schools. Our board is presently surveying our pre-kindergarten and kindergarten parents re a total immersion French programme in our elementary schools and there is discussion in the continued improvement and extension of our present oral French programme within our present budgetary guidelines set down by the ministry.
>
> The above information was outlined in a letter to Mrs. Petterson, Onaping, Ontario. We appreciate your concern and assure you that the board is presently actively engaged in trying to solve the problem.
>
> Yours truly,
> W. N. Roman

There was an opportunity for the board to say, "Yes, we would be willing to do more if only the Minister of Education would provide us with the funds. The culprit here is the Minister of Education and help us make the following arguments". No, the board isn't even blaming the Ministry of Education and I don't understand that.

Mr. Martel: I do, I know why.

Mr. Laughren: It is disgraceful.

Mr. Martel: They are all Tory hacks.

Mr. Laughren: No, they are not all Tory hacks. I went to talk to the individual school board members, including the one in the area where I live, and said "Why are you not doing this?" He gave me a number of reasons and then he said "Besides, have you never heard of Bill 22?" I almost crawled through the telephone wire at him with that crack, because if the school boards are interested in playing this kind of language war with the Province of Quebec, they can sure count me out.

Of course, I am not putting all the blame on the school board either because the leadership and the direction has not been there from the Ministry of Education, and the ministry certainly stands condemned on that.

Hon. Mr. Wells: Were they saying that they couldn't pay it because of our grant policy? Was that what you said?

Mr. Laughren: No, as a matter of fact I was mad at them because they didn't say that.

Hon. Mr. Wells: That happens to be untrue, because our grants are there. The legislation is permissive. If they provide the transportation they qualify for grants under our transportation policy. There is no problem with that.

Mr. Laughren: So what you are saying is that the entire responsibility for not offering an immersion French programme starting at grade 5 and going through to the end of grade 8 is entirely the responsibility of the board. That there are absolutely no financial encumbrances to them if they do it. Is that what you are saying?

Hon. Mr. Wells: No, no, I am talking about the transportation. I thought you were saying that they wouldn't provide transportation. I am saying that if they wish to provide transportation for the students that wish to attend, they would come under our regular formula for grants for transportation and we would pay the grants. In other words I know of nothing that we have in our grant regulations that would inhibit them from doing it. The legislation doesn't say they have to provide it for you, it says they may. So if you can convince them there is nothing that should stop them from providing it, they would get money from us for it.

Mr. Laughren: Okay. I would appreciate a response, after I have said a few other things, as to exactly what would have prevented the board from offering the programme. If there are no restrictions in terms of transportation costs, then why are they not doing it, unless it is purely an attitudinal problem? If it is an attitudinal problem then that is reprehensible, and they stand even more condemned in my eyes than they do right now. I would be interested in your remarks on that.

What I would like to see is that the legislation is not permissive. So help me if I have to beg, to plead, to demand, I will fight to see that the legislation be changed to make it mandatory that an immersion programme be offered if there is sufficient demand by the parents. I am not suggesting for a minute that we lay on in the ham-fisted kind of way in the school system that the federal government did with its civil service.

I would like to give an example of the wrong way to go about it, and I hope that the ministry will never get itself into this position. Knowing Tory Ontario I suspect the ministry will not do it. But mind you, one has to wonder about Tory Ontario seeing the results from Carleton East tonight.

Hon. Mr. Wells: That was your friend though. I gave you credit for two and I hear it didn't work out that way.

Mr. Laughren: I know.

Mr. Foulds: Our friend from High Park is overenthusiastic.

Mr. Laughren: Yes, he gets carried away at times.

Hon. Mr. Wells: He should have come back for an encore.

Mr. Foulds: For a guy who plays the stock markets he is not very mathematically inclined.

Mr. Laughren: What bothered me very much about the kind of approach to bilingualism at the federal level was that I happen to have a father who cannot read or write in any language—totally illiterate. He operates a furnace for one of the federal government buildings. He is over 60. He received a letter in the mail, which one of the younger brothers read to him, and which said: "We are going to investigate your job to determine whether or not you must be bilingual in order to keep it." Can you imagine the kind of mental anguish that someone like that goes through when they have never had a chance to learn to read or write in their own language—the French language—and now they are being told that they might have to become bilingual.

That's what I mean by a "ham-fisted approach to bilingualism," because I think that's reprehensible and I would hope that we would never be into that position. I'm a tremendous believer in biculturalism and bilingualsism, much more than the minister or the government of this province. They have messed around with it; there is a token kind of acknowledgement of it, but really that's all.

What really got me excited in the last year about this whole concept of an immersion programme was reading the experimental study that was done in St. Lambert, which is a suburb of Montreal. They took English-speaking students—enrolled them in kindergarten in their French-immersion programme, and the results were truly amazing. That report was out a year or so ahead of the Gillin report. And it documents very well the good aspects of an immersion programme.

The students who went into the immersion programme ended up not being harmed in any discipline. They had much more respect for their French friends, for French culture, for historical, political, cultural and educational appreciation for the French in this country. When I read that, it was clear that was the direction we must go. The students in the immersion programme continually wanted more whereas if they were put in a programme of 20 or 30 minutes a

day, they wanted back into the English programme.

So it seems that if you give them a taste of immersion they want more. They will end up truly bilingual and liking what they're doing. They will not lose it that way.

I want to read to the minister a letter from a constituent. I don't normally do this, but this letter is very eloquent, without using fancy language, and says better than I could how a parent in the Sudbury area feels about a lost opportunity to have bilingual children.

Dear Mr. Laughren:

As English-speaking parents only, my husband and I are very concerned over the inconsistent French programme in our Ontario schools. Having been raised in Saskatchewan and Manitoba, and having lived in and enjoyed a number of years in Quebec, we strongly feel a second language, namely French, a definite asset.

We were most happy, upon coming to Falconbridge, Ont., to find our youngsters, then in kindergarten and grade 1, had the opportunity to take French. However, at Christmas, due to a forced cutback in staff, the part-time French teacher was let go. The school principal informed me not to worry as the children would still benefit and just as much, for upon reaching grade 4 they could again take French, this being the level at which it was now going to be introduced throughout the school system.

We moved to Onaping in August of this year to find French starts here in grade 5. Mr. Laughren, would it not be much cheaper and far more beneficial to our children, and Canada, if French could be started in kindergarten and kept up? Both my eldest daughter, now 9, in grade 4, and myself wrote Premier Davis about this matter in September. To date, we have received no reply.

This is dated Nov. 16.

An hon. member: That was last year.

An hon. member: He was over in Italy.

An hon. member: That's a year ago.

Mr. Laughren: That is 1973.

I have never seen her so upset as when she found this long-awaited privilege to take French had been postponed yet another year. I did call her teacher to inquire in this matter and met with only the utmost of concern and helpfulness. Because this child is a clever student, she is allowed to take French with the grade 5 class. For this consideration, we are more than grateful and so, perhaps, should bow out and say no more.

However, what of the other children, and our other children now in grade three and kindergarten? Not being as clever, they have to wait longer, and perhaps upon reaching grade 5, find even longer.

Because we feel so deeply about the matter I called long distance and spoke at some length to Prime Minister Trudeau's secretary yesterday only to find that, while the Prime Minister is most aware of the situation, his hands are tied.

I next called Premier Davis' office and spoke with his secretary, who had been most sympathetic and understanding but only advised me to write to Mr. Davis again, which I did yesterday. I have also written Prime Minister Trudeau and have spoken to a Mrs. McEwen with the Sudbury Board of Education. She advised me to write to Mr. Thomson which I also did yesterday, plus a letter to Mr. Thomas Wells for good measure and one to Mr. Elie Martel, Mr. John Rodriguez and now yourself; next Mr. Jerome. I had no luck with calling you all.

I do not mind a $40 to $50 long-distance bill. My husband certainly does, though, heaven help me. Even so, I could not find any answers. Mr. Laughren, is there nothing at all that can be done in this matter?

This letter is truly written out of sheer frustration, and with a great deal of disillusionment at this point. We seem to be up against a brick wall. Why? Please, I beg of you, do not feel we are critical of our children's schools or teachers. Their love of both and their good grades assure us that these are high calibre indeed, so far.

Might I mention we get twice as puzzled when a traveling van called Music Machine is allowed by the board to come in and charge, we feel, too much money for special lessons in piano, etc., for half an hour or so per week. The children taking Music Machine are excused from class, well and good. Children who are not taking this, along with a number of others, are, we have been assured, not wasting their time, which I fully believe.

Still the question is, is this precious school time not really being wasted after all? Could not a French machine come around instead? Then we would gladly pay this

price in order to start our children in French now. With our youngest son in kindergarten now, we would have a marvelous start.

We love Canada with all our hearts and would truly like to see far more understanding between our people of all religions and languages. Such a fuss has been made about re-educating English to French, etc., etc. Yet here in the school programme where it could be established and learnt easily and willingly it is very, very sadly neglected. How shameful.

Thank you for your time, Mr. Laughren, and if could find some answers as to who decides, and why some schools in Ontario get French in kindergarten and others start in grade 4, 5 or 6 we would truly appreciate it.

Yours with little hope,
Marianne E. Petterson.

I read that letter because I think it expresses the kind of frustration that not only Mrs. Petterson, but I as a parent, and a large number of people in the Sudbury area and all across Ontario feel about the lack of an opportunity to enroll their children in an immersion program which will painlessly make those children truly bilingual. That is what is so ridiculous about the situation.

I remember taking French in the traditional system in Ontario and it was painful indeed. I came out of it with no grasp of French. Here we have an opportunity to enroll students in an immersion programme that they'll enjoy. It will have all sorts of educational, historical, and cultural benefits, not only to those children but to our society as a whole. And it's being denied because the boards won't do it because of an attitudinal problem. The Ministry of Education must be condemned the same way because they continue to leave the legislation permissive. Until we change it, I see very little hope.

Give some of us a choice to enroll our children in immersion programmes; help us destroy the kind of myths about French Canadians that are out there in the English community. Surely you are aware of what the COPSE report—the Committee on Post-Secondary Education—had to say about the educational levels of French Canadians in Ontario. Less than half as many French Canadians on a per capita basis get degrees in Ontario as do their English-speaking counterparts.

If that isn't a condemnation of our educational system in Ontario, I don't know what is. That is discrimination, very thinly disguised if disguised at all. The fact that we have five French high schools in the Sudbury area is excellent, and it's going to place increasing demands on the post-secondary system which this minister is not responsible for. But that's sadly lacking as well. because Laurentian university is not a truly bilingual institution. Neither is Cambrian college—much less even than Laurentian university.

I don't know how long this government's going to sit back and watch the students pouring out of French high schools and going to Ottawa university. I think the Minister of Education should start leaning on his counterpart in the Ministry of Colleges and Universities. Those students coming out of high schools are coming out of your system. You have given them the opportunity to speak French at the high school level, and for that I give you credit, for the grants that go to the school boards there. But we're still sadly lacking at the post-secondary level.

I think that in Sudbury we have a unique opportunity to build a model of bilingualism in which not only will French-speaking people be bilingual, but English people who make it their choice can also be bilingual. I urge the minister to bring in legislation that will make it mandatory to offer immersion programmes when there is sufficient demand at no financial penalty to the board. Thank you, Mr. Chairman. I would appreciate the minister's indication as to what way a board, such as Sudbury, is penalized financially if an immersion programme is offered.

Mr. Chairman: The minister would like to reply.

Hon. Mr. Wells: I would like to refer to that. I said in my opening remarks, I don't think any other provincial government in this country has done more to foster the development of bilingualism. I notice Keith Spicer said recently that dramatic progress had been made in the past 10 years with bilingualism in Ontario. He said the climate has become more civilized. The progress in other provinces, however, has been less dramatic.

I think, when you look at the developments in the French language school system in five years—from about 11,000 to 28,000 in the secondary system—we will find more continuing at a higher level. I'll be glad to intercede with my colleague, the Minister of Colleges and Universities (Mr. Auld), to see what I can do about French in post-secondary institutions. I think, when we see this influx that's now coming through the French language system that has been developed, many more will be getting degrees because they are now getting their full education,

both elementary and secondary, in the French language.

As far as the teaching of French as a second language to anglophones is concerned, I agree with my friend, that there is a place for immersion courses beginning in kindergarten. I don't think that is going to be the rule for everybody. It's for those who want it. I said many times that it should be offered in every school jurisdiction in this province. It is obviously now offered in Sudbury but there are impediments to its operation because of transportation. A board may offer the transportation but there are grants from us to pay for it. But the decision to offer it rests with the board.

At the present time there are no special grants for immersion programmes. These must be worked out within the board, as indeed many have, such as Sudbury. There are many programmes in the northwestern region. I see that Cochrane and Iroquois Falls apparently have one, as do Kapuskasing, Nipissing, Timiskaming Board of Education, Elgin county board, Lincoln board, North York, Toronto, Peel, Scarborough, Ottawa, Ottawa Roman Catholic separate, Carleton and so forth. Many boards, without any special financial arrangements, have offered these programmes. There are probably others that we haven't even heard about.

The development of any special assistance to encourage the offering of these courses is, of course, what we are considering now in response to the Gillin report, along with the way French as a second language will be handled in the regular school system. There are two distinct divisions. There is the immersion programme which will, in all likelihood, turn out fluently bilingual young people. There is also the teaching of French as a second language as we are now doing, but not well enough.

Mr. Martel: It's a disaster.

Hon. Mr. Wells: A programme will not turn out bilingual individuals. I don't think we can ever hope that it can do that. It will, in some cases, but in a lot of cases it will whet their appetite for French, give them an understanding of the culture and an appreciation of the two basic founding peoples in Canada, and of the relationships between our different groups, languages.

Mrs. M. Campbell (St. George): Not peoples—languages. There are other founding people.

Hon. Mr. Wells: Excuse me, right, there are other people here. I refer to the two language groups that were here. It will give them a better understanding of the culture of those groups and thus help, I believe, in the development of Canadian unity. They are the two different programmes. That's all we are doing now as a result of this report.

Mr. Laughren: Mr. Chairman, in response to that. At the present time, I think you are wrong in one sense, in that teaching French as a second language as opposed to immersion doesn't seem to whet the appetite. That's part of the problem with the present system; it doesn't whet the appetite, whereas immersion does whet the appetite for more. At least the results of the St. Lambert study, indicated that.

The second point is that I wanted to be very sure on this, because you can imagine how people get shunted back and forth when they are trying to nail down a responsibility. The board will say it's the ministry's fault, and the ministry will say it's the board's. Are the financial restrictions on developing an immersion programme solely that of staffing? There are no restrictions at all in busing, so that once a programme is established the only increased costs are not busing. In other words, you could bus people from all over the region and it would cost the taxpayers in Ontario more money, obviously, but would not cost the school board, under its system of grants and its budgeting, anything extra except staffing. Is that right?

Hon. Mr. Wells: I am not saying that the grants we pay on transportation would pay the complete cost of busing, but there is a transportation fund that applies to bus services in this case. In all the various cases where buses are used, there is a transportation formula.

Let me just say that in regard to the development of special, say, financial programmes to assist in the development of these kind of courses, I think the hon. member knows we do have some pilot projects going at the present time in the Ottawa area. The Ottawa Roman Catholic Separate School Board, the Ottawa board, the Carleton Roman Catholic Separate School Board and the Carleton board are being funded to the tune of about $2 million for all four of them a year.

They have had this for the last two years, the money being given to us by the federal government and then transferred by us to those boards. This year the federal government is giving us half the amount and we

are paying the other half. There is also a very large research component which we are paying for that has been added on to this and is being done in conjunction with those boards.

They are offering some of these types of programmes, and out of these experiments will come formulae that we hope we can build upon to spread this to the rest of the province. But those will be ready about June, 1975. We will have the results of those and the results of the extra funding—what it has been able to do and how much it has cost to do various different enrichment programmes and so forth in French.

Mr. Laughren: Why didn't you do this in Sudbury?

Hon. Mr. Wells: We didn't use Sudbury because the federal government wanted us to use the Ottawa capital region.

Mr. Chairman: The hon. member for St. George.

Mrs. Campbell: Thank you. Mr. Chairman, I would like to add my voice to this particular curriculum development debate. I am speaking about the matter of French in the Toronto schools. I have to tell you that I have had a tremendous dichotomy in myself about the teaching of French because I felt that French was so badly taught that I did not want to see French taught on the basis of what we had been seeing in our Toronto schools.

In a school in my area, but not in my riding, which my grand-daughter attends she has now been taking "French"—I put it in quotations—for some three years. She can indeed sing Frère Jacques, and that's about the extent of her knowledge of French. To me it is an insult to the people of this country whose language is French that we should be teaching French on that kind of basis.

I have said that until we get an immersion course, until we get some kind of educational system that gives us a truly French education, what we are doing is the same sort of tokenism that we see in so many other areas of this country and its disregard for people.

Just how much money is available for French immersion courses in the city of Toronto? I believe that so often when you make your statements about your great support in the educational programme, Toronto is often left to fend pretty much for itself. As a result, the citizens of Toronto in many cases are really regarded as red-neck people or something of that kind through no fault of their own. But because the board of education has had to fund so many other programmes relating to the new population, and no one denies the need for them, then I am afraid that French comes a very bad third—I guess third is a good figure for tonight—in the whole system of languages in the Toronto schools.

I want to know how much is available to the Toronto board for immersion courses. I believe that for three years my grand-daughter has been receiving two 20-minute periods in French a week. If you think that isn't a sheer waste of time, I don't know what is. They are not going to get French in that kind of a relationship at all. At first in discussing the matter with my grand-daughter, I thought that perhaps she was slow in picking up languages. But I found she was tremendously fast in picking up Italian, and therefore I am sure she could have picked up more than she has in French.

Now, there is a determined effort by the parents in this school, in conjunction with the board, to improve the French-language course. Perhaps the minister would give me a specific breakdown, since he has told us about Ottawa and other areas. Exactly what does the board of education in Toronto get to encourage French in those schools?

Hon. Mr. Wells: Mr. Chairman, I will have the actual dollar figures in a minute – at least an estimate of what the Toronto board gets in grants for French programmes. I just want to say that the kind of things the hon. member has said are the kind of things that I said when we set up the Gillin committee and commission.

Mrs. Campbell: I know.

Hon. Mr. Wells: That's why they were set up and that's why they have reported. Their report is here. We have had it about a month or so. Bob Gillin has done an excellent job. It's a very well done report, it has been very well received and it has gained a great deal of positive response. We are now developing the kind of responses and changes that can come out of this for our programme. It's because of the very things that you said were happening in the schools that we set up this committee. The results of this, plus the experiments and the research connected with them in the Ottawa area, will, I am sure, chart a much better course for the future.

The two 20-minute programmes you talked about are in no way immersion programmes. The Toronto board has immersion programmes operating at Allenby Public School and Brown Public School.

Mrs. Campbell: They want it at Rosedale.

Hon. Mr. Wells: Perhaps I can give you the answer in a few mintues. They are digging the figures out for me. As you will appreciate, there are really no strictly identifiable figures, because the grants given to boards are total grants and they decide what their priorities will be. All the things are built in; we don't say there's so much money for books, so much for salaries, so much for French and so on. We will get you a figure for the approximate amount of money that Toronto is getting for this particular programme, but it will take a few minutes.

Mrs. Campbell: Thank you, Mr. Chairman, if I might, I would just like to say that indeed one of the problems, as I have indicated, is that special education in Toronto has had to take a priority. Special courses for children, whose first language is other than either French or English, has had to take priority. But as a very proud Toronto person—and I am sure you feel this way—I resent the kind of criticism of us that we are somewhat red-necked English-speaking people who do not want French—when indeed we do. But we want it taught in a way that will produce people who are at least able to converse in French without translating.

This is why I am concerned about it, because I think our reputation as red necks is undeserved. I think it is partly because of the fact that the school board in Toronto has had to put first things first, and French can't be first when you have tremendous other problems that have, I think, in all humanity, a priority. Thank you, Mr. Chairman.

Mr. Chairman: Shall item 2 carry?

Mr. B. Newman: No, Mr. Chairman.

Mr. Chairman: The hon. member for Windsor-Walkerville.

Mr. B. Newman: Mr. Chairman, the minister is aware of the attempt on the part of the ministry to set up a French-language secondary school in the Essex county area. Could the minister explain why the difficulty? Do you want me to repeat, Mr. Minister?

Hon. Mr. Wells: Yes.

Mr. B. Newman: The establishment of a French-language secondary school in the Essex county area: You have been pushing it, Mr. Minister. The francophones, likewise, but there seems to be a roadblock in there What is preventing the establishment of the school?

Hon. Mr. Wells: I might tell the hon. member that at the present time the matter rests exactly in this particular state: The Languages of Instruction Commission recommended the building of a school in Essex county, and upon receiving a recommendation of the board, did not agree to that request. The board so informed me. I wrote the board back and indicated some things that might have been disturbing the board, because this school was intended not just for Essex county, but for Windsor.

I suggested that they should approach the Windsor board and perhaps put in a joint proposal, and that if that was the impediment to proceeding with the school, would they consider it and get back to me.

Since that time, I understand they have had meetings with the Windsor board, and both boards, as I understand it, as a result of a meeting earlier this week, are now to put a motion to their boards to set up a small committee to try to work out details.

I might say that I am very hopeful that all the roadblocks will be overcome and that school will be presented and that we will be able to give approval to it very shortly.

Mr. B. Newman: Mr. Minister, if they are unable to arrive at a resolution to the problem, would the ministry consider allowing the separate school board to set up a secondary French school in the county?

Hon. Mr. Wells: I don't think that it is possible for them to set up a secondary French school, because they couldn't get grants for part of the programme.

Mr. B. Newman: Would you consider it?

Hon. Mr. Wells: No. It is a very noble effort of them to offer, but the ground rules for establishing French-language schools and the legislation provides for them to be under the public school system.

Mr. Chairman: The hon. member for Port Arthur.

Mr. Foulds: Thank you, Mr. Chairman. I want to reinforce some of the remarks by the hon. member for Nickel Belt about the teaching of French in Ontario. I would like not

only to endorse them, but make one or two observations in addition in a general way about the report that is officially called the Report of the Ministerial Committee on the Teaching of French.

I think that most of us, for once, felt that a ministerial report was a good one. It indicates a certain amount of realism about the situation in Ontario, and it makes some very positive recommendations. I am a little disappointed in the minister's statements this afternoon. He endorses the principles. Perhaps it is unfair, and I certainly don't plan to castigate him for not being more concrete at this stage, but there are a couple of concrete things that I think need to be said.

One of them is that I think the recommendations sound great, provided that the government really comes through with the specific funding necessary. I am sure that the minister was pleased; certainly I was pleased —I am sure you get as adequate or probably an even better clipping service than I do, but if you read the clippings from the newspapers across the province, you in fact get a good indication of widespread support among boards and parents as well as editorial writers, particularly for immersion courses.

I just had some noted down from the clippings in areas as diverse as Ottawa, Sault Ste. Marie, Hamilton, Brockville, Cornwall and Sudbury, all basically endorsing the thrust of the Gillin report. I think that speaks well for the possible success of the implementation of the report, and I would simply urge the minister to take advantage of the favourable climate that has been created in the public mind in this regard. I think it is particularly important to emphasize recommendations 1, 4 and 12.

Recommendation 1, of course, is that French-language education be introduced at the kindergarten level, and at the very latest at the junior level, which I—forgive me, I don't seem to be thinking all that clearly. Is the junior level grades 4 to 6?

Hon. Mr. Wells: Yes.

Mr. Foulds: The one minor caveat that I have with that recommendation 1 is that it could mean, in effect, that it wasn't until grade 6 that the language instruction be instituted. What I would simply urge is that the best possible time is to introduce it at kindergarten level, and not let it lag.

I know all these programmes take time, but I think it would be symbolic of the government's commitment if they really endorsed the recommendation that it be started at the very early end of the scale. I think that the recommendation 4 should start at the grade 7 level. The way I would read the component is you start with the French-language instruction at the very early level, and that it is at grade 7, after you have got through the junior level, that you make it available as an option.

I think the other key recommendation that certainly we in our party would support, and support wholeheartedly, is recommendation 12, having to do with immersion programmes, so that at least one school in every board jurisdiction where there was sufficient demand be set up for this programme. I really would like the minister to use his good offices to encourage the boards to find the busing necessary and certainly to make, in those cases, the full busing formula available to them.

I think one part of the Gillin report perhaps hasn't received as much attention as it might—and it is one area that I am particularly concerned with, as well as the French-language instruction—and that is the whole area of the cultural development and the aid and the encouragement that that could do in terms of all the things that we want to do through French-language instruction here in Ontario. There are some very, very good things said on pages 38 and 39, immediately following recommendation 22 and before recommendation 23. I want to read them, simply because I think I would suggest that that aspect of our liaison with Quebec could go a long way to bringing Canada to be a truly bilingual and bicultural nation.

> Bringing French-speaking students and groups of artists into Ontario schools is another way of increasing the contact between English and French students. For several years the Ministry of Education has arranged for a small number of assistants to come from France to work in Ontario schools. In 1973, the ministry undertook to co-ordinate in Ontario the interprovincial programme of second-language monitors. Under this plan, 135 French-speaking students from Quebec were helped financially to attend Ontario universities and were employed several hours a week in language classrooms in secondary schools. These young people who were paid by the federal department of the Secretary of State provided Ontario students with both motivation and opportunity to speak French. Their success in the first year indicates that the monitor programme should be expanded.

I would certainly underline that. That kind

of practical use of talent from Quebec would be very welcome and very worthwhile.

The opposite, the expansion of centres or contacts in Quebec for Ontario people, is an extremely important recommendation. You can correct me if I'm wrong on this. I think that the recommendation that you establish a permanent centre in the French-speaking milieu in order to offer year-round immersion courses in French to student-teachers, teachers and administrators is first-rate, and with all the difficulties inherent in it really should be looked at.

Hon. Mr. Wells: I've even got the site but I can't sell it to anyone.

Mr. Foulds: You've got a site, but you can't sell it to anybody.

One small point that I would like to make —and you can correct me if I'm wrong: Is there anywhere in the report a mention of developing curricula from source materials in Quebec as well as obtaining advice and consultants from Quebec? It is a couple of weeks since I actually read through the report and I can't recall that particular thing being mentioned. Perhaps you could comment on that particular point. Do you know?

Hon. Mr. Wells: What exactly was that point?

Mr. Foulds: There were two points. It seems to me there isn't any mention in the report of developing curricula in Ontario from source materials from Quebec.

Hon. Mr. Wells: Incidentally, this is Mr. Gillin sitting out in front of me right now in case you were unaware. The committee has recommended that publishers try to work together to get published novels and so forth available in this province so they could be used. The whole question of learning materials for the French-language school system in Ontario is one to which we still haven't got all the answers. The ministry has some money in the learning materials development fund which it is going to make available to one of the French-language teachers' associations who are producing their own material for the school system. They are developing curriculum aids and material that they are publishing themselves. I understand it's very good.

There seems to be a problem with directly bringing in material that is being used in the Quebec school system. I'm not just sure what the problem with this is. Perhaps there can be a greater use of this but the people in the Ontario French-language school system seem to want to develop their own material. Let's be very frank, it is in short supply at the present time and they are going to have to do more work in this particular area. It's the same as the problem that is going to develop, unless we are able to meet it, and that is to provide teachers for increased programmes. This is one of the impediments that we have got to meet.

In other words, it is fine to say we should move into all these programmes, but we have got to be sure we have got the teachers. There are all kinds of things that have to go on.

Again, at the meeting with the Ontario teachers' federation yesterday, we chatted about immersion courses for teachers in northern Ontario who find themselves displaced because of the change in a school from its traditional pattern to that of a bilingual secondary school. In order that they can remain in that school and be part of the programme, we are looking at ways with the OTF to get them into programmes, maybe the federal government's immersion programme, so that they can become bilingual.

There's going to be a real challenge in meeting the need for teachers, and particularly for the teachers who would teach French as a second language to anglophones in the school system. I don't know whether you are aware of it, but this idea of a centre in a French milieu that could be used to help develop teachers for this programme possibly may have come out of the summer courses that the ministry has operated at Compton, Que., in the girls' school there. What's the name of the school?

Mr. Laughren: Nobody knows.

Hon. Mr. Wells: The name of the school is King's Hall in Compton, Quebec. It was a very famous private girls' school. That school has amalgamated with Bishop's College in Lennoxville, I think. The building became available and several of the staff in my ministry have been encouraging us to buy it. I felt that perhaps there would be a problem with the Province of Ontario buying a school and hundreds of acres of land in the Province of Quebec. This hasn't been a very realistic thing, but that's the kind of setting where I suppose you could develop an immersion centre. It has got all kinds of interesting possibilities, because of course it is Louis St. Laurent's home town and we could call it the Louis St. Laurent Immersion Centre for Canadians or something like that. But I haven't been able to sell the idea

to anybody with public money. Perhaps there is some generous benefactor around who would like to set up this centre and donate it to the people of Ontario and Quebec. That might be a good idea, but I don't know.

Mr. B. Newman: The sugar business millionaires.

Hon. Mr. Wells: Bob Gillin says it's only three-quarters of a million dollars. The price has gone down since I heard about it the last time. I don't know if you have been there, but it's one of the most beautiful sections of the Eastern Townships of Quebec. The school is on a hill overlooking the whole of the Eastern Townships.

But it has an excellent programme for teachers of French to anglophones. I attended the programme, and I was very impressed because they were being taught in an immersion milieu. They didn't speak English for the six weeks they were there, and they played ball down in the village. It was a real experience.

The monitor programme, of course, has been expanded. There are currently 250 in that programme this year. This is one of the programmes the Council of Ministers of Education co-ordinates for the Secretary of State's department. We have had some problem with that programme in terms of getting people into the Province of Quebec. There have been problems with the teachers' unions in Quebec in letting these people go in and take part in the school as aides. Unfortunately, the Ontario people going into Quebec are not acceptable in the secondary schools, although they can work in the universities. But we are working on that.

Mr. Foulds: What about the elementary schools?

Hon. Mr. Wells: No, not in the elementary schools either. I have spoken to the minister in Quebec many times; he is very sympathetic and he wants to see the programme operate exactly as it does in reverse, with his people coming into Ontario, but there have been problems in regard to the teacher associations and unions, who haven't made it possible yet, as I understand it. That's what I have been told.

Mr. Foulds: Mr. Chairman, I want to get back to my original question about source material, if I might pursue that for just a moment or two. Is there any problem over copyright? Not so much text and that kind of material, which I can understand the franco-Ontarians wanting to develop; but I was thinking of original French source material in terms of novels, historical documents, and using those as a basis for developing curricula in Ontario by franco-Ontarians. Is there any problem in that?

Hon. Mr. Wells: I don't think there would be any problem with material like that, if it's published in Quebec. It's available, of course, to anyone that wants it. I suppose you could even go so far as to take the example of—what I am trying to recall, I guess, was the last time I was in Quebec City. There are, just as we see here, walls of pocket books in English available; there are walls of pocket books in French available down there. There is all kinds of literature, I suppose, from the best to the worst. There's no reason why that kind of thing couldn't be available for use in our schools and by our people; just as, for instance, that kind of material—pocket books, paperbacks—used here in the literature field to a great degree.

Mr. Chairman: Does item 2 carry? The hon. member for Port Arthur.

Mr. Foulds: One or two more points on this particular theme, if I might, Mr. Chairman, that I want to find out from the minister.

Have we—and forgive my ignorance. As a unilingual person, I apologize. But has the Quebec system the equivalent to our Ontario government consultant, and are such people available to us, if we wish to invite them, to help us develop and implement some of the recommendations of this report?

Hon. Mr. Wells: My deputy minister informs me that they do have roughly the same kind of people in their ministry, and that there is exchange going on between our people and their people in this particular area. In fact, he even tells me he thinks they may be here right now this week meeting with some of their people.

Mr. Foulds: One last question, and I raise it because it's important in terms of the decline in the number of secondary school students taking French in Ontario—from 45 per cent of them in 1970-1971, I believe, to 34 per cent in 1973-1974. I think that's roughly accurate.

Recommendation 67, in particular, suggested that the funds to boards for French-language programmes be specifically and especially earmarked exclusively for that purpose. Are you yet at liberty to disclose whether that is your intention, or have you made a policy decision on that?

Hon. Mr. Wells: I think that in general terms it is our intention to move that way. We did this year, in fact, because we added the grant, a visible $44 for French, above the ceilings for boards—for the students in boards which had French programmes.

Mr. Foulds: Are those the French immersion programmes?

Hon. Mr. Wells: These are all French programmes, yes – 20-minute immersion, or French-to-French. So that, in fact, in this last year—the present year that we are in—they are much more visible than they ever were before; and they can be sorted out.

For instance, my friend from St. George asked about the situation in Toronto. Of course they get $44 at their rate of grant, for a visible grant of $1.5 million for their French programme, and an increase in ceilings of $4.5 million on top of the others for the development of their French programme.

Mr. Chairman: The member for Windsor-Walkerville.

Mr. B. Newman: Mr. Minister, under curriculum development are you strengthening some of the subjects on the second level so that any student could complete his high school education in four years rather than five years?

Hon. Mr. Wells: Mr. Chairman, under the credit system it is possible for a student with the ability and aptitude to get the necessary credits. In the new HS1 there is a discretionary element that rests with the principal, to allow a student to move ahead faster in order to do that. At the discretion of the principal, using his good judgement of the students in the school, it is quite possible to complete it in four years.

If you read the HS1 document you basically need 33 credits. But at the discretion of the principal in certain cases—and this would depend to a great degree on the ability and aptitude shown by that student—it is possible for him to move forward and get that secondary school honour graduation diploma, perhaps with less than 33 total credits.

Mr. B. Newman: Perhaps less. I am concerned. Mr. Minister, that you strengthen the curricula in the various subjects in the schools so that practically any student could get his honours certificate within four years rather than five. Don't you see the economy involved, if you had a four-year high school programme? I know there is the problem of teachers. You would have grade 13 teachers phased out as a result, but why not have a uniform four-year programme throughout Canada rather than having Ontario completely different by having grade 13?

Hon. Mr. Wells: We could get into a long discussion on this, Mr. Chairman. Indeed there are a great number of students who do complete their secondary school education.

Mr. B. Newman: Not a great many.

Hon. Mr. Wells: Yes, there are great number because about half of those who complete grade 12 or year 4 of the programme go on and take year 5. Basically, they are the ones going into university. There are a great number of students who get the secondary school graduation diploma and move on to all those other post-secondary education institutions where you just need the secondary school graduation diploma – community colleges, nursing, and so on.

So you have a whole group of students completing it in four years for that diploma which fits the path they wish to take. Then you have the other group taking the extra six honour subjects, who are going on basically to university. It is possible to get the honour diploma in 4½ years, and in some exceptional cases in four years. So even those people, if they have the aptitude and ability, will do that.

I think the mistake that we make is that, having built our whole system on continuous learning, and on the aptitudes and individual abilities of each student, we want them all to finish at exactly the same time. It isn't necessarily going to be possible. Some people are going to finish their courses at one time; others are going to take a little longer.

Mr. B. Newman: Could you strengthen the curriculum in the various subjects so that it would be possible to complete the equivalent of today's 32 credits with 27 credits instead?

Hon. Mr. Wells: I don't think that would be strengthening it, that would be watering down the curriculum.

Mr. B. Newman: How could it be watering down when you would have exactly the same content in the four years rather than in the five years? How would you be watering it down in that way? You come along and make the first-year credit the equivalent of 1¼ years of schooling under our present system in a given subject and in the second year the equivalent of another 1¼. After four years you've completed what today requires five years. You'd make it more meaningful for those students.

Hon. Mr. Wells: I've got a son in secondary school and you've taught secondary school. The programme now is pretty full.

Mr. D. M. Deacon (York Centre): Do you think so?

Hon. Mr. Wells: I certainly do think so. There are 110 hours in a credit. To suggest we could suddenly put all that work into less than that time for every student. I don't think would work.

Mr. B. Newman: I don't mean for every student, Mr. Minister By no means do I mean for every student.

Hon. Mr. Wells: Well, what do you mean?

Mr. B. Newman: There are a lot of students who want to complete their high school education in four years, their equivalent of a grade 13 in four years. You are saving them one year of secondary education. They get into the university one year earlier. They are qualified exactly to the same extent as the student who has today's grade 13 qualifications. The programme is a little more meaningful. It's a little more challenging to the individual who can do it in this fashion, rather than have him go 4½ years or even five years on the programme. I think it does make good sense. It enables that student to complete his university education, if he wishes to go on, in one year earlier. He's into the work force one year earlier—unless you want the schools to be holding tanks to keep people off the job market.

Hon. Mr. Wells: As I indicated, it is possible for students today to get their complete programme in four years, if they have the aptitude and the ability. I would say to my friend that I am sure—I don't know whether he would agree with me—that the graduate of the Ontario five-year programme has a better—better isn't the word—a more complete education than in most of the other provinces at that particular time. He's taken 33 very full credits and very full courses, whereas in a lot of the provinces where they have just four years of the programme it's about 27 or 28 credits. It has got to mean that these students in Ontario, while they may have taken a year longer, if they do, have had a richer and fuller programme.

Mr. B. Newman: I can't argue with you on that, but you can still arrange the programme so that the individual can complete exactly the same contents that he is completing today in the five years in the secondary level, in four years by simply adding content to certain courses. I'm not going to discuss that any further.

I wanted to ask the minister why doesn't he consider physical education in a school one of the really important subjects? When we are looking upon the health of our young folk, you would think that of all the ministries the Education ministry would be concerned with the health of our youth and would develop programmes so that physical education wouldn't be pushups, it wouldn't be jogging, it wouldn't be gymnastics and it wouldn't be football only. It could be really meaningful.

Hon. Mr. Wells: As the hon. member knows, I have said this many times myself that I think the physical education programme that is offered should be meaningful. It should have a component in it that develops in this whole area, as we say, of lifelong education something that will be used throughout the rest of his or her life by that young person. It should develop an awareness and a desire to want to be fit and perhaps even teach skills that can be used further on. I think there are a lot of our people doing this. Certainly in the case of our people and any consultants that we have, this is the emphasis that they are taking. We are developing even now more guidelines in physical education to encourage even more of the kind of thing you are talking about. But we are not thinking of making physical education compulsory in the secondary schools.

Mr. B. Newman: Remember, Mr. Minister, when we sat on the select committee on youth and we travelled all over Canada and the US looking into that. Remember the recommendations put out by that committee concerning physical education, that it be compulsory in all levels of the school? At that time, it was compulsory up to 12 and it was voluntary in 13. You yourself signed that report, wanting it to be compulsory in 13. Why the change of heart now? Aren't you concerned with the physical fitness of our own school-attending youth?

Mr. Foulds: He's better educated now.

Hon. Mr. Wells: I am better educated now—that's what my friend said. I certainly don't think that compulsory phys-ed in secondary schools particularly does anything to improve the fitness of our population. All of us who are sitting here just slightly overweight and so forth are the products of years of compulsory physical education, back when we went to school, the ones who are supposedly the

unfit generation in Canada today. We are all the products of an era when physical education was compulsory.

As I have said many times, of all the things that I hated in secondary school it was physical education. Not only did I hate it, but it ruined some of the rest of my enjoyment of secondary school. I could say the same thing for the universities which had some crazy criteria about physical education and what you should do.

Mr. B. Newman: Mr. Minister, what you say was true in those days but you are assuming that your people can't develop a physical education programme that is meaningful. Look at the Minister of Community and Social Services (Mr. Brunelle). You couldn't find a fitter specimen than him and the minister next to him.

Mr. Laughren: Oh, come on—look at him.

Mr. B. Newman: You don't see him being corpulent or obese. He is nicely streamlined.

Interjections by hon. members.

Mr. B. Newman: Mr. Minister, I'd like to say that for the rump out there, but I am afraid I really couldn't say it for all of them.

Interjections by hon. members.

An hon. member: That's right, talk about it.

Mr. B. Newman: Well, Mr. Minister, you and I may not be as physically fit as we'd like to be but I am—

Hon. Mr. Wells: Sure we are.

Mr. B. Newman: Well, maybe you are but I am not. But I certainly think that when we are talking about our youth we should do everything we possibly can to see that they are fit in the school. As I said earlier, I don't think physical education is doing pushups or swinging on a high bar or coming along and throwing a football through a tire suspended from a goalpost in the backyard. There are a lot of other things that could come along and improve the physical well-being of our people.

When we look into some of the totalitarian states, they really emphasize physical education. I don't mean that we should emphasize it to that extent, but I think we should look upon your own Ministry of Health's big medical bills, and I think we could dramatically reduce those bills if we were concerned with the fitness of your youth.

And we should do it on the elementary level too, because I don't think—I am subject to correction—they get physical education in elementary schools to the extent that they could get it. You can develop qualified personnel, you can develop a programme, it can be enjoyable in the schools and maybe you could make it so enjoyable in the schools that it wouldn't have to be a compulsory subject—they'd want to take it. But you are not as concerned with the fitness of our young folk, Mr. Minister, as I thought you should be. If you were concerned you'd look upon this more seriously than you are looking upon it.

You know, you are still thinking of your own high school days and what you had to do in phys-ed, and I look upon that, too. But I wouldn't implement that style of a programme in today's school system. You have got people in the gallery here who know physical education extremely well, and they certainly could develop the type of programme that would be meaningful.

Now, I say that, Mr. Minister, for the sake of our younger folk who are going to be competing in another two years in international competition in the Olympics, where Canada is going to try to be a really proud nation and show the skills that her young folk have been able to develop in the various endeavours that are generally competed in in Olympic competition. Not that Olympic competition means everything, Mr. Minister, but the world does look upon us when it comes to the competition and when we do place very poorly then they immediately criticize the health of our younger folk, and in that way they are really criticizing the school system.

I think, Mr. Minister, you can develop programmes.

Hon. Mr. Wells: I don't disagree with anything that the hon. member has said, Mr. Chairman. The only place where we part company is on whether you make these programmes compulsory or not. I agree that they should be in the schools. We are doing all we can to make it possible and encourage school boards to develop these programmes. We are issuing new physical education guidelines in the intermediate division. There will be a senior guideline revision very shortly. There is continuing emphasis in the elementary school and the P(1) J(1) documents I talked about in my opening remarks will emphasize physical education for younger children.

The emphasis will be on these areas for the very reasons that you have stated, and the

only place that we would part company is in the fact of making it compulsory in the secondary schools. Everything else applies. We're putting full emphasis there.

I think that many of our physical education people in the schools, particularly again the secondary schools, are developing innovative programmes and that some of the impetus to do this has been the fact that they do have to develop programmes that kids will want to take rather than programmes that people are forced to take. Therefore they don't have to worry about making them relevant and interesting and really vital, as you and I think they should be. So I think we are making progress and I certainly completely agree with you that we must put great emphasis in this area because we must develop a population that is fit.

Mr. B. Newman: Mr. Minister, many of my colleagues don't agree with me when I attempt to say that physical education should be compulsory, but having taught physical education and, likewise, seeing the fitness of our youth today and knowing that it can be improved through a meaningful physical education programme, I personally would like to see it made compulsory in the schools.

I think you shouldn't wait until you get into the high schools. I think you should be doing some of this on the elementary level. There's where you really have to start, because if you start with the youngster he is more than likely going to continue to be interested in his own physical well-being and, as a result, it will be not only to his own betterment physically, he will be better mentally, because in a sound body the chance of having a sound mind is that much greater. Where we can come along and develop sound bodies and sound minds, then we are going to have at least what I think will be a little closer to the ideal.

The other topic that I wanted to discuss with the minister under curriculum development is the fact I am still receiving complaints from parents concerning the new math. They are completely confused. Is there any concern being expressed in the ministry to modify the programme, or do you intend to have it carry on just as it has been set up over the last years?

Mr. Chairman: Does the minister wish to reply?

Mr. B. Newman: Syl, you get up on phys-ed there, eh?

Interjection by an hon. member.

Mr. B. Newman: Don't be afraid. They are not going to do anything to you.

Hon. Mr. Wells: In the course of the cyclic review which has been completed for the P(1) J(1), in which the new guidelines will be set out, a review of all the subjects has been undertaken and in the intermediate area it will be undertaken. To answer the hon. member's question, there hasn't been any major change in that curriculum that was brought out and that was called colloquially the new math. That is still the backbone of the curriculum that is being taught.

Mr. B. Newman: There is no intent to phase it out at all? You are just going to carry it on as it is?

Hon. Mr. Wells: We don't carry anything on just forever and ever. There are always people looking at it. I might say to you right now that there's no intention to ever phase it out and there may be a committee working somewhere that's going to come in with a recommendation six months from now, or three months from now, and say: "We are going to work on a new curriculum guideline and this is what we are going to do."

Now, these committees, of course, are made up of teachers who teach math and consultants in math, and so forth. I am not unmindful of the kind of criticism that the hon. member has heard, and I am sure neither are our consultants or experts in this field.

Mr. Chairman: The hon. member for Kingston and the Islands.

Mr. C. J. S. Apps (Kingston and the Islands): Mr. Chairman, if this is the proper vote, I would like to ask the minister just what part physical education plays within the framework of the curriculum. Is it an optional subject? Is it compulsory? Is it still given in grade 13, and how effective does the minister feel that this particular physical education programme is within the elementary and secondary schools?

Hon. Mr. Wells: I would be happy to answer, again, Mr. Chairman. The hon. member, I guess, has just come in. We have just had a 15-minute discussion about the whole area of physical education. It is being stressed very strongly by the ministry. There are very good programmes being developed. It is an optional subject in the secondary school programme. I think that because of this, much

better and much more innovative physical education programmes are being developed, and I think that they are much to the benefit of our young people.

As I said a few minutes ago, it is not the intention of the ministry to make those programmes compulsory in the secondary schools. But there is the intention to emphasize very strongly physical education, the development of a healthy body and a good physical condition, starting right from the elementary school.

There are new guidelines going out in the intermediate division. There is a revised senior physical education guideline, and within a year or so there will be a programme for the grade 13 year, the fifth year.

Mr. Apps: Mr. Chairman, I wonder if the minister might tell me what percentage of the students take advantage of the physical education programme.

Hon. Mr. Wells: I'll try to get that answer. I don't know that we have those figures here, or whether we have the figures on courses.

Mr. B. Newman: You have enrolment figures on it.

Hon. Mr. Wells: I will get them for you in a minute.

Mr. Apps: One other point, Mr. Chairman, during the Health estimates, I indicated to the minister (Mr. Miller) that one of the ways he could cut down ultimately in the cost of medical services is to try and do what he could in co-operation with you to make sure that the young people in the province are reasonably physically fit. I am wondering if the minister in the policy field has had any opportunity to discuss with the Minister of Health the programmes the Minister of Health might suggest to him that would enable the Minister of Education to do a better job in trying to make certain that all the young people have an opportunity within the schools to take enough physical education to become a little more physically fit than maybe at the present time.

Hon. Mr. Wells: The answer to that, of course, Mr. Chairman, is yes. The Minister of Health and I have discussed this on many occasions, and there are many joint programmes of our ministries moving forward with their assisting us in family life education, in nutrition, and various other programmes.

I have to emphasize that there somehow seems to be this feeling that there isn't an emphasis on physical education in the school system, and this is just not so. The mere fact as to whether a course is compulsory or not has nothing to do with it. It is a very simplistic approach to suggest that, "Make physical education compulsory and your problem is solved. If it isn't compulsory nothing is being done." That just isn't the way it is, because a lot is being done and a lot more will be done. It doesn't rest on whether that programme is compulsory—whatever that term means for students in the schools.

Interjection by an hon. member.

Mr. Apps: Mr. Minister, I think the figures on the number of people who take advantage of physical education courses would be some indication as to whether they are doing any good or not. As I understand it, you are going to advise me what those figures are and when we get those figures I guess we will have a better indication as to how good the physical education courses are within the schools.

The thing that concerns me, Mr. Chairman, is that somehow along the line we must try and get the impression to the young people that being physically fit is something to be desired. I don't know whether this is so at the present time or not. I don't think really it is and that the fact that you are physically fit is something you can be proud of. If you can be proud of it, then you're going to take advantage of all these physical education courses that you have available within the schools and, hopefully, are being taken advantage of by the young people who are in the schools.

I think anybody who saw on TV the gymnastics display at Maple Leaf Gardens a couple of nights ago or who were able to be there would realize the tremendous thrill and the tremendous accomplishment of these young people who do those things so well. These are the kinds of things we should be encouraging throughout the school system to get the youngsters interested in this type of thing, along with many others that are available. I would hope that the minister would see fit to encourage all the schools to make an extra effort to make sure all their students take part in the physical education programmes that are available to them.

Mr. Chairman: The hon. member for Nickel Belt.

Mr. Laughren: Thank you. As one ordinary superjock to another, to the minister, I would like to engage him in a discussion on something a little different, namely, the whole question of curriculum development and involvement of the community in the development of curriculum in the schools.

As you may be aware, there are a number of us who are members of a select committee of this Legislature dealing with the involvement of the community in the life of the schools. One part of that involvement, of course, has nothing to do with curriculum. It has to do with the physical facilities and the way that the building is used by certain groups, about what time of day it becomes the property of the community versus the schoolboard and those kinds of questions.

There's another aspect of it that I think is often overlooked. I don't think the ministry is very seriously looking at the whole question of how much of a role parents and other people in the community should have in the setting of priorities within a school. I am not talking about taking out of the hands of the school board all kinds of powers that they now have. I'm not talking about going over their heads. I'm not talking about circumventing the experts in the Ministry of Education either. I'm talking about bringing in the people in the community to have a say in the development of that school and the kind of emphasis that it gets.

For example, in a school near the area where I live there is a programme for the Indian children from the Indian reserve who attend that school, and that is the kind of thing where the people in the community did have a say in the development of that part of the curriculum. Perhaps in an area like Sudbury the people in the community would decide there should be more emphasis on the history of labour in this province or in this country.

Mr. B. Newman: Not only Sudbury but any place.

Mr. Laughren: Any place. I'm using Sudbury because I know it well and because there's an identifiable group called labour who could have a say in the development of a curriculum there.

I know the school that we call Kensington here in Toronto has had some involvement that way, and I understand it's working fairly well. I'm wondering just at what stage the ministry is at in encouraging the school boards to develop a community school across the province. I'm not talking about the community use of schools. I'm sure the minister understands the difference between what is sometimes known as a community school and a school that really does involve the community in the development of its curriculum. I would be very interested in knowing to what extent the ministry is pioneering and is encouraging schoolboards to move in this direction.

Hon. Mr. Wells: Mr. Chairman, in the speech last week to a community school conference, I think I outlined at least the first phase of our programme, a six-point programme which I repeated in my remarks here this afternoon. In the course of that speech I indicated what our response is to the kinds of things that the hon. member is referring to.

I indicated that we are in favour of the development of the school as a centre of the community. We feel that this must and can only begin when the full co-operation, involvement and enthusiasm of the principal is developed. He will provide the focal point along with his staff and the community. I suggested that the development of a community school committee to work in an advisory capacity with the principal is a good thing and should be encouraged.

I further suggested that we have to go one step even further back in a lot of communities. At the present time, there is a good number of parents in all kinds of communities in the province who feel somewhat threatened by the school. In other words, it's not a case of being involved in developing some of the things in the school; they feel even afraid to go into the school and ask about what kind of programmes are now being taught their children. I think that this is regrettable and it has to be broken down.

The idea that parents can come in once or twice a year and talk to the teacher about what is going on with their child is not a healthy situation. Parents should feel that at any time, given the normal courtesies of arranging appointments and convenient times and not expecting to barge in at any time, they should be able to come in and talk with the child's teacher and get straight answers and straight explanations about what is going on. This is the kind of spirit that has to develop, and once that develops in the school and a community school committee evolves, the kind of things that you are talking about will happen.

Then I further said that the school has to develop relationships with the other community organizations that are serving and

helping the people in that community, perhaps Children's Aid Societies, social service agencies, and a lot of other health departments that are all working together. It is then up to the school to co-ordinate with them so that the school can become a focal point and a co-ordinator for all these activities. I think that has to grow out of this kind of involvement.

We have suggested, as I said this afternoon, that for school boards that would like to get into this kind of programme we have offered some special money this year. If they will write up a proposal, we have grants up to $10,000 per project available for them to develop different ways of going about this and to help them do it.

Mr. Laughren: How is the response?

Hon. Mr. Wells: We only issued the programme last week. We have told them the response has to be in by the end of December. I think we will find that all of the money we have for that programme for this year will be used up, because the people who were in the audience the night I was talking were all those who would be developing the programmes. I imagine they went right back and are working on the development to send in the proposals.

As I say, our first-phase response is to encourage boards to do this officially. We are going to develop a handbook to tell them about it. I get the feeling there has been a lot of high-sounding talk about this but there is not too much practical "how do you do it?" and "what is it?" in simple terms. People make philosophical statements about community schools and community education, but the people out there in the community just don't quite understand what this is. We are going to develop a gutsy handbook that can tell people exactly what it is all about, give some examples and tell them how they can develop it.

There are a lot of examples in Ontario. You mentioned Kensington. There is Ogden school in Thunder Bay, Holy Rosary in Windsor, and Maple Grove school in Lincoln. There are all different kinds of examples.

One of the other things we have to make very clear and get across to people is that to develop a community school you don't have to have a new building like Kensington. Some people equate a community school with a great big new building which has been designed specifically for that purpose. Obviously, we cannot rebuild every building across this province. You can still develop that school within existing structures. There are going to be a lot of empty classrooms in schools. If they are not needed, there are plenty of opportunities there to develop all kinds of innovative programmes.

This is part of the job of the community school unit we have in our ministry with consultants in each of the regional offices.

Mr. Laughren: I would very briefly in more of a comment than a question, Mr. Chairman, suggest to the minister that with the advent of the regional school boards there was an increased sense of alienation of parents from the school which their children attended. This is one way of getting people back into the feeling that they are part of the education of their children. Every time you close a school and every time you create a larger unit of administration, you increase the alienation of people in the community from their school. I think that it is very important that you do this and I am encouraged by your programme.

Hon. Mr. Wells: Can I just break in here to tell you that the figures I have pulled out for the Sudbury Board of Education indicate that for the French-language programme, the identifiable part, the amount is $308,000, and the grant on that amounts to $185,000. That is an increase in the ceiling of $308,000. Then our rate of grant is $185,000 on that.

The Sudbury Separate School Board has a ceiling increase of $185,000 because of their French programmes and rate a grant of $725,000. The amount of the grant would be $725,000.

Mr. Chairman: Does item 2 carry?

Mr. Foulds: Item 2.

Mr. Chairman: Do you have a question?

Mr. Foulds: I have a quick one, yes. I'm almost tempted to get up on a point of personal privilege with this—

Interjection by an hon. member.

Mr. W. Ferrier (Cochrane South): Is the member for Grey-Bruce buying for everybody?

Mr. Chairman: Order, please.

We can understand the enthusiasm of some of the members. However, we are here to discuss estimates.

Mr. Foulds: Absolutely right, Mr. Chairman. I almost feel like getting up on a point of personal privilege with this discussion that

was raging previously about physical education and fitness. I want to state for my party that we, too, are in favour of fitness.

I was glad the member for Kingston and the Islands is finally going to give me my chance to make it to Maple Leaf Gardens. Way back 20-odd years ago I once beat Bruce Gamble out for a goaltending job in minor hockey in Thunder Bay. Mind you, from that point on his career went upward and onward and mine plummeted, to say the least. Look where I am right now.

Mr. J. R. Breithaupt (Kitchener): Are there no depths?

Mr. Foulds: The only way I was able to keep fit in this particular position was by four months ago betting a friend of mine a bottle of Cointreau that I could lose 15 lb in three months. I managed to do it, but what a decadent way to do it.

Anyway, having said all that there is one point that I'd like to raise about the minister's statement in his lead-off this afternoon with regard to the community schools unit within the ministry. The one reservation I have about it—and this is a terrible dilemma, I think, for anyone dealing with education—is that it does seem to have a centralist thrust. That is, you are developing the handbook, and the unit is selected within your ministry, centrally.

I'd like to know, for example, who has been appointed to that unit. It may be just a Freudian slip in the phrasing, but you are going to tell them, i.e. the people, what community schools are all about? Now, that may have just been a slip, but that is an exact quote. If the thrust is going to be informational and a desire to therefore have the local community develop community school councils or whatever they will be, then that is super.

In fact, I had to restrain myself, as I mentioned to the minister privately just after we broke at the supper hour. I was going to say some nice things about him with regard to that part of the announcement. He informed me that every time I said nice things about him he lost votes. Therefore I will say some nice things about him. Rather tortuous logic.

I have two basic questions about it. Could the minister provide each of the opposition critics with a copy of the details of the plan he has sent out to the schoolboards? For some reason our research office haven't received that particular memorandum and I'd certainly appreciate it.

I wonder if the minister could also undertake to inform us of the total amount that he has budgeted in these estimates for that, and where it comes in the vote.

Third, I wonder if he would make a commitment so that by the end of December he could make an announcement about the response. Or if the proposals really actually go to Dec. 31, perhaps he could make an announcement in the first days of the new session about what the response has been. I think it is a matter that a number of people in the province, including myself personally, would like to monitor, so I think the minister has made a step in the right direction. I think he has an opportunity to perhaps improve some of the ill-fortune suffered recently by his government.

Hon. Mr. Wells: I certainly do not want to suggest that there is a centralist approach in this area. As a matter of fact, if I can find the quote in my speech, I very definitely indicated the same kind of thing that I think the hon. member is talking about. I can't find the exact quote, but I said something along the lines that you can't create community schools or community education by the government waving a big stick or by somebody saying, "You, community, you need a community school; you have got needs; these are your needs and we perceive that this is the way they should be answered." They don't do it that way, and I think you agree with that and I agree with that. It's got to come from the bottom up. The only reason that we have the community school unit being developed is because, in order to give impetus to it, we need a focal point. We have people who can help the community. Mrs. Shannon Hogan is the head of that unit.

Mr. Foulds: A good appointment.

Hon. Mr. Wells: Yes, I am glad you think so.

Mr. Foulds: For a whole variety of reasons, I might add.

Hon. Mr. Wells: I think it's a good appointment too. She and a very small staff in the central office are working on this, assisted by one person in each of our regional offices. They are there as resource people merely to provide a catalyst to help boards, because a lot of people need that. They need a little help, they want information, they want to know how to do things, they want to know a lot of things about this pro-

gramme, and that's all these people are here for.

As I also said, there will be an advisory committee appointed to me but which will work very directly with Shannon and that unit. They are the ones who are going to help develop the handbook and they will be representative of all the different groups, because there are other groups in the community interested in this and, of course, there are other ministries here who are interested.

Our programme has been developed in co-operation with my colleague, the Minister of Community and Social Services, who has the recreation and sports branch, which provides money and funds to the municipal recreation people who, through arrangements with school boards, will be able to develop joint programmes. That's all provided for in legislation; agreements can be entered into; moneys can be available from his ministry to the recreation department; the school board money; it can be put together to develop community schools, programmes and so forth. This is all possible. Those people and others will be on this advisory committee and they will help develop this handbook. Somebody has to take the initiative and get that out so that it can be there as a tool to be used by people in the community who have got to develop things.

A good example of this was the group that I introduced here this afternoon, the Chartland Community School Association; there were 30 women here. This is a school in my area of Agincourt that has developed a real community school programme. They have a community school committee, they work with the principal and they have developed programmes.

This visit to the Legislature was one of a series for the women of the community, and any of the men who are home in the daytime. They have a whole series of programmes—I think 10—that they have developed to help broaden their outlook of various things, culturally and otherwise. That's part of their community school programme. They have courses developed for families. They have all kinds of things going on in the Chartland School. They have an ordinary public school, with no special facilities built into it, but they have a keen, active committee, they have a dedicated principal who is committed to this idea and the whole thing works very well.

That's just one example, and there are all these other examples that we are talking about. But there are a lot of communities in Ontario that don't have anything, and I don't want to suggest that we can force them to do anything. They've got to identify the need. All I am saying is that it probably takes a principal or somebody who has a keen understanding of this and wants to act as the leader in the thing, at least to get it going. That's what we, from the school point of view and the ministry point of view, want to try and develop from our community school unit.

Mr. Chairman: Shall item 2 carry? Carried.

Hon. Mr. Winkler moves the committee rise and report.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report that it has come to a certain resolution and asks for leave to sit again.

Report agreed to.

Mr. J. R. Breithaupt (Kitchener): Mr. Speaker, before the adjournment of the House I would like to bring to your attention that it would appear the electors in Carleton East have chosen Mr. Paul Taylor, the Liberal candidate, as their new member.

The approximate votes, according to information that I have received, are 9,600 for Mr. Taylor, 9,200 for Mrs. Gigantes, the New Democratic candidate, and 7,300 for Mr. Benoit, the Conservative candidate.

Mr. F. Laughren (Nickel Belt): Free those servants. It's a civil service town.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Well, Mr. Speaker, I must compliment my counterpart on the other side for making us privy to this information, which we knew some time ago. However, I will not accept the remarks of the NDP member since his colleague, the member for High Park (Mr. Shulman) was, I think, in a rather jubilant and rather—

Mr. E. W. Martel (Sudbury East): Euphoric is the word.

Hon. Mr. Winkler: Well, I suppose that is correct, but it was very unwarranted. Have no worry about it—we will make that very clear.

Mr. I. Deans (Wentworth): I might tell the House leader that we consider this a victory.

Interjections by hon. members.

Hon. Mr. Winkler: At least the people in that riding had enough judgement to know that the NDP candidate wasn't the right candidate.

Mr. Deans: We consider this a victory.

Mr. J. F. Foulds (Port Arthur): On a point of order, Mr. Speaker, I think that Hansard will show that the hon. member for High Park ran into the Legislature, saying, "I won," not "We won." The hon. member for High Park meant that he managed to cull a certain amount of money in bets from Conservative people.

Hon. W. A. Stewart (Minister of Agriculture and Food): So what's new?

Hon. Mr. Winkler: It's well known how he can tap the public for money at any time.

Mr. Foulds: Not the public.

Interjections by hon. members.

Hon. Mr. Winkler: Mr. Speaker, tomorrow we will proceed with consideration of government notice of motion No. 4 standing in the name of the Treasurer (Mr. White). Following that, we will continue with the estimates of the Ministry of Education.

Hon. Mr. Winkler moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10:30 o'clock, p.m.

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Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Ninth Legislature

Friday, November 8, 1974

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

THE QUEEN'S PRINTER
PARLIAMENT BUILDINGS, TORONTO
1974

10

Price per session, $10.00. Address, Clerk of the House, Parliament Bldgs., Toronto

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Daily index of proceedings appears at the back of this issue. Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff (Phone: 965-2159).

LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, NOVEMBER 8, 1974

The House met at 10 o'clock, a.m.

Prayers.

Mr. Speaker: Statements by the ministry.

WOMEN CROWN EMPLOYEES

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Mr. Speaker, I would like to announce that the Management Board of Cabinet has recently approved guidelines for ministries and Crown agencies on affirmative action for women Crown employees. The guidelines provide the framework of policies and procedures within which the government of Ontario will implement its commitment to improve the status of its own women employees.

The members will recall that the report, "Equal Opportunity for Women in Ontario: A Plan for Action" was published as a green paper in June, 1973. Soon afterwards, the office of the executive co-ordinator of women's programmes was established as a key step in a series of initiatives to implement the report.

The report had emphasized the need for special measures to enhance the status of approximately 35,000 women Crown employees in the province. In April, 1974, a new branch called the women Crown employees office was established within the women's programmes division. Its goal is to stimulate and monitor affirmative action plans to ensure equal employment opportunity for women Crown employees.

Mr. Speaker, I think I should point out that the guidelines were developed on a consultative basis by the women Crown employees office and the Civil Service Commission. Effective leadership and liaison were provided by Mrs. Ethel McLellan, who I might say is with us in the gallery this morning. She is the executive co-ordinator of women's programmes and a member of the Civil Service Commission.

The guidelines were distributed to all ministers and deputy ministers in September, 1974. Today marks the beginning of a concerted effort to communicate the guidelines to all Crown employees in the Province of Ontario. Hon. members will appreciate that these guidelines will also be of interest to many other public and private employers and employees.

The guidelines start with a reaffirmation of the government's policy of equal opportunity. To ensure that this policy is effective, the guidelines recognize the need for special efforts in the form of affirmative action. This concept is then elaborated into three priorities, as follows:

1. Identification and removal of unnecessary barriers resulting from traditional personnel policies and other institutional practices.

2. Establishment of realistic goals to initiate and guide future action.

3. Identification and development of special measures, such as innovative training and recruitment programmes.

Mr. Speaker, the action plan contains five steps, starting with visible, top-level support of the policy of equal employment opportunity. Policy commitment and involvement are key elements in creating a positive basis for the rest of the action steps. Secondly, it it expected that each deputy minister or Crown agency head will assign responsibility to a women's adviser who will design, co-ordinate and implement action in his or her organization.

I am pleased to inform the members that six women's advisers have been appointed to date, while several other ministries and Crown agencies are in the process of actively developing their own action plans. Women's advisers have been appointed on a full-time basis in the ministries of Community and Social Services (Miss Betty Graham) and Treasury, Economics and Intergovernmental Affairs (Ms. Glenna Carr). The following ministries have appointed women's advisers on a part-time basis: Education (Miss Gladys Munnings), Environment (Mrs. Grace Blackadar), Revenue (Mrs. Jean Macdonald), and Management Board of Cabinet (Mrs. Ellen Mills).

Mr. A. J. Roy (Ottawa East): There are still a few short.

Hon. Mr. Winkler: Mr. Speaker, the next step in the action plan is the establishment of a data base to facilitate effective and realistic planning. These facts will also act as a means against which to measure future progress. The fourth step is the identification and development of existing women employees who have the potential and desire for future promotion.

Finally, Mr. Speaker, the guidelines anticipate that each ministry and Crown agency will have developed and filed a written affirmative action plan by March 31, 1975. Comprehensive documentation of long-term planning, including both short- and long-term objectives, will stimulate effective action. It will also provide a basis for periodic programme review and evaluation.

I am confident, Mr. Speaker, that if these guidelines are supported in both spirit and practice, the government of Ontario will have established a positive basis whereby equal opportunity for women can become a reality.

Mr. F. Laughren (Nickel Belt): No. 1 should have been the Provincial Secretary for Social Development (Mrs. Birch).

Mr. Roy: Mr. Speaker, I rise on a point of order to correct—

Mr. Speaker: Order. There is nothing out of order at this point.

Mr. Roy: It is a point of order, Mr. Speaker, in relation to a headline in the Toronto Globe and Mail, stating that the Premier (Mr. Davis) saved $99 on a wager—

Mr. Speaker: Really, that is no point of order.

Mr. J. A. Renwick (Riverdale): It's a point of privilege.

Mr. Roy: He saved only $98. He owes me a dollar.

Mr. Speaker: Order, please. Order!

Mr. Roy: I have got to—

Mr. Speaker: That is no point of order. Will the member take his seat?

Oral questions.

Mr. Roy: I took advantage of the Premier, Mr. Speaker.

Mr. J. R. Breithaupt (Kitchener): Mr. Speaker, first of all, a question of the Premier.

Following the comment of Mr. Benoit last night that—

Mr. Speaker: Order, please. There is another ministerial statement, if you don't mind. I didn't notice the hon. Minister for Consumer and Commercial Relations.

Hon. J. T. Clement (Minister of Consumer and Commercial Relations): Thank you, Mr. Speaker. I have been losing weight in the last few days, and I can see why you wouldn't notice me, Mr. Speaker.

Mr. M. Shulman (High Park): It was the minister's liquor policies that brought down Benoit.

CREDIT CARDS IN SUPERMARKETS

Hon. Mr. Clement: Mr. Speaker, I am sure the members have followed with interest recent press reports concerning the introduction of credit cards in Ontario supermarkets.

Mr. I. Deans (Wentworth): The minister is going to ban them, I hope.

Hon. Mr. Clement: My ministry has been concerned about this possibility and the increased cost it will bring to all food consumers. As well, we feel that any system that encourages the consumer to purchase more of the basic necessity of food than he or she needs is inappropriate.

I therefore, Mr. Speaker, want to go on record as strongly opposing the introduction of credit cards in supermarkets and as urging those responsible to act in the public interest by cancelling any experiments which are taking place and any further consideration of this matter. I would warn those involved that if the industry is not responsive, Mr. Speaker, I am prepared to recommend to the government legislative action to preclude this practice.

Mr. S. Lewis (Scarborough West): For the first time and four by-elections later, the minister is defending the consumers of Ontario.

Hon. Mr. Clement: For the first time the member has noticed.

Mr. Speaker: Oral questions. The hon. member for Kitchener.

PREMIER'S LEADERSHIP

Mr. Breithaupt: Mr. Speaker, my first question is of the Premier. Following the comment of Mr. Pierre Benoit last evening that the Premier is "one hell of a leader," could the Premier explain just what he meant?

Hon. W. G. Davis (Premier): Well, Mr. Speaker, in that the hon. member who asked the question has certain aspirations to that position some time in 1976 in his own party, I will let him draw his own conclusions and see just how he handles that particular campaign himself.

Mr. Renwick: It is an ambivalent statement about an ambivalent Premier.

Mr. Breithaupt: I'll certainly know what to avoid!

Mr. Lewis: Is this the new fighting style?

Hon. Mr. Davis: There hasn't been anything to fight about.

Mr. Roy: Mr. Speaker, a supplementary.

Mr. Speaker: Well, is it a supplementary?

Mr. Roy: Yes. I don't dare the new fighting style.

Mr. Lewis: You chew 'em up, Bill.

Hon. Mr. Davis: I would get indigestion.

Mr. Roy: In the light of the fourth defeat and the resounding one in Carleton East, does the Premier not feel that he has lost the confidence of the people of Ontario—

Mr. Speaker: Order, please. That's not a supplementary on the original question.

Mr. Roy: —and does he not feel he should go to the people?

Mr. Speaker: That's not really a supplementary. The hon. member for Kitchener.

Hon. A. Grossman (Provincial Secretary for Resources Development): Nor is it urgent.

LAND SPECULATION TAX

Mr. Breithaupt: A question of the Treasurer, Mr. Speaker: In view of the recent report that the highest average selling price of housing in Ontario was $46,899, a 32 per cent increase since 1973, can the minister explain to us how he believes that his present speculation tax is working, in the light of this kind of an increase?

Hon. J. White (Treasurer, Minister of Intergovernmental Affairs): Yes, sir. The credit of Ontario and the world-wide acknowledgement of its economic progress has led to enormous inflows of capital, as the member will know. As a result, houses which averaged $44,000 in cost here last year peaked in May to $57,000. Those prices have now dropped back to something like $54,000 or $55,000.

Mr. Lewis: That's quite an achievement.

Hon. Mr. White: So the land speculation tax and the land transfer tax have definitely been one of the causes for these decreased house prices.

Mr. D. C. MacDonald (York South): Marginal, very marginal.

Hon. Mr. White: The very fact that Ontario's prices had accelerated at such a fast rate, for reasons I've touched on, I think is further proof of the necessity of this legislation. I think that one will see, as the hot money flows into other parts of Canada, that they will have to take similar steps. This we await with some interest.

Mr. V. M. Singer (Downsview): That's the stuff bet on last night's election.

Mr. Speaker: Any further questions?

Interjection by an hon. member.

Mr. Speaker: Order, please.

Mr. Roy: That's what Pierre said.

Mr. Lewis: As a matter of fact, that's the only reason he got 7,300 votes.

SAFETY REGULATIONS FOR APARTMENT SCREENS

Mr. Breithaupt: A question of the Minister of Consumer and Commercial Relations: Following my earlier question concerning the building code and the matter of screens, particularly in apartment buildings, I am now advised that there are no regulations with respect to screens planned in the government's new code, and that its committee apparently working on this matter has not made any recommendations. Will the minister ensure that recommendations are prepared so that when this code is brought forward to us it will contain some practical results that will avoid this kind of problem in highrise buildings?

Hon. Mr. Clement: Yes, Mr. Speaker. As I pointed out to the hon. member for Kitchener the other day, if the proposed regulations were silent insofar as screening was concerned and security of same, then we would have to put it in the regulations when they are ultimately passed. As the hon. member recalls, about one year ago I did file the proposed regulations in the House, to give the

hon. members an opportunity to peruse them. But I will give that undertaking to the members of this House at this time.

RECYCLING OF GARBAGE

Mr. Breithaupt: A question of the Minister of Agriculture and Food, Mr. Speaker: Following the comments of Mr. Johnny Moles, the general manager of the Royal Agricultural Winter Fair, concerning recycling and the use of livestock particularly hogs, to deal with garbage sources that are otherwise being wasted, is the minister aware of his views of recycling in order not only to improve and increase the production of meat and meat products within the province, but also to avoid the waste of these resources, which otherwise are just being dumped?

Hon. W. A. Stewart (Minister of Agriculture and Food): Mr. Speaker. I heard Mr. Moles' speech yesterday and I thought it was an excellent speech. I must confess, that point confused me. I have asked for a copy of the speech so that we might review it a little more carefully. As far as I know, most of the waste food product from the restaurants and hotels, and I believe other institutions, is now being used for hog feed. It is cooked and all the rest of it, and properly handled. I am a little concerned to know where he got that information. We intend to check it out but as far as I know it is carried on. I know of several herds of swine that are now being fed on waste refuse.

Mr. Speaker: The member for Scarborough West.

MERCURY POLLUTION

Mr. Lewis: Yes, thank you, Mr. Speaker. I want to ask the Minister of the Environment a question but I guess it is unfair. When did the Minister of the Environment become a minister? Does he remember that?

Mr. Roy: That is a tough question.

Hon. W. Newman (Minister of the Environment): Doesn't the member remember?

Mr. Lewis: No. I don't remember when he became minister at all. Does he recall when he became Minister of the Environment? That's my opening question.

Hon. W. Newman: That's the member's opening question? Yes, I recall very well.

Mr. Breithaupt: Supplementary question. Mr. Speaker: When was it?

Hon. W. Newman: I think it was around the end of February this year.

Mr. Deans: He thinks it was?

Mr. Lewis: Okay, then he is not appropriate. May I direct the question to the Premier? Can the Premier tell me why the fourth report of the mercury task force issued by the government in March, 1973, failed to include within its pages the extraordinarily important and dramatic evidence of mercury pollution and contamination in the Wabigoon-English River system, particularly that part of the report which was in the government's possession more than a year earlier which pointed out that the levels were comparable with those found in Japan and which then documented the human consequences when that was the case? Why would the government, comprising several ministries, issue a report which deliberately suppressed that kind of data on which so much subsequently hinges?

Hon. Mr. Davis: Mr. Speaker, I am sure the hon. member is aware that I am not familiar with a particular report. I would also say, with respect, that we don't deliberately suppress material. I think the question should properly be addressed to the various ministers responsible.

Mr. E. W. Martel (Sudbury East): We found that out about silicosis too.

Mr. Laughren: We have evidence to the contrary.

STUDIES ON DEATHS IN URANIUM MINES

Mr. Lewis: Let me move to another question. Can the Premier explain as Premier, the man who is responsible for his associate cabinet ministers, even though he would not wish to take that responsibility, how it is that the Minister of Natural Resources (Mr. Bernier) had in his possession in 1973 a study based on 15 years of assessment of the lung cancer deaths in Elliot Lake, which shows him that the number of deaths was 25, whereas the expected level would have been seven, meets with ministries and with the industry but not with the workers, and at no time makes the information public? Can the Premier tell me why there is this policy of deliberate suppression of information where it affects the health and safety of citizens of Ontario?

Hon. Mr. Davis: Mr. Speaker, there is not a deliberate policy of suppression.

Mr. Martel: There certainly is.

Mr. Speaker: Any further questions?

Mr. Lewis: Can the Premier in his own mind, as someone who is concerned about these things, justify this evident capacity on the part of his colleagues in the Treasury benches to reveal only what is self-serving but nothing which is important to the health of the people involved?

Mr. Roy: The Premier is going to have to fight better than that.

Hon. Mr. Davis: Mr. Speaker, I will not be provocative this morning. I would just say to the hon. member the—

Mr. Lewis: Be provocative. The Premier was provocative last night.

Hon. Mr. Davis: —ministers of this government do not act in that fashion.

Mr. Lewis: He could throw in things like "the big pink machine" or other lyrical little asides.

Hon. Mr. Grossman: Or "the big red one."

Interjection by an hon. member.

Mr. Speaker: Order, please.

ONTARIO'S TRIPLE-A FINANCIAL RATING

Mr. Lewis: Mr. Speaker, may I ask the provincial Treasurer how is it that with Ontario's triple-A rating on the Moody's exchange the Indiana Bell Telephone Co. and Texas Power and Light have been borrowing money at an interest rate significantly below Ontario's triple-A rating, and how is it that British Columbia with only a double-A rating is borrowing at a level only 0.02 per cent higher than Ontario or a difference of some $35,000 on a $175-million issue? Doesn't our spectacular rating entitle us to something better than a lower standard than American companies and an equal standard with provinces of lesser rating?

Hon. Mr. White: Indeed it does and indeed it will. Our expectation of savings next year is $10.5 million on the issues we take to New York for Hydro.

Mr. Breithaupt: Before the government borrows the money?

Hon. Mr. White: In point of fact, in the years to come it will be, in the words of one of New York's most intelligent and most famous analysts—

Mr. Martel: Spiro Agnew?

Hon. Mr. White: —"worth a fortune to Ontario."

Mr. Breithaupt: To him or to us?

Hon. Mr. White: Now, sir, there are a number of variables at work.

Mr. Lewis: Who is the minister speaking of, Jacob Javits?

Mr. Deans: William Buckley?

Mr. Martel: Spiro Agnew?

Hon. Mr. White: The state of a market on the day of issue is very important. We went to market about six weeks ago, I suppose, at which time the prime rate was 12 per cent, if I remember correctly. We had a coupon rate of 10 per cent, I believe, to yield 10.25. The prime rate has come down almost weekly in quarter-point steps, and I was informed yesterday that a leading American bank had reduced it once again, now to 10.75 per cent.

Mr. H. Worton (Wellington South): That's normal.

Hon. Mr. White: So one can't take issues with varying terms—

Mr. Lewis: No, they're the same terms. We have looked at the same terms.

Hon. Mr. White: —issued on different days, and make worthwhile comparisons. What one can do—

Mr. Lewis: We have taken the yields.

Hon. Mr. White: —is take debentures which are in the market today—and this is something I'd be glad to attempt—and see what they are yielding—

Mr. Lewis: Right. That's what we did.

Hon. Mr. White: —and that difference in yield will be significant.

Mr. Lewis: The yield is 9.9 in British Columbia and 9.88 in Ontario.

Mr. Speaker: Order, please.

Hon. Mr. White: Well all right. There you are. We're better than British Columbia.

Mr. Lewis: All right. It's 0.02 for a triple-A rating. The Treasurer knows what his triple-A rating means.

Hon. Mr. White: We're better than British Columbia. Thanks for pointing that out.

Mr. Lewis: By 0.02 per cent. Congratulations.

Mr. Speaker: Are there any further questions?

Mr. Shulman: A supplementary?

Mr. Speaker: A supplementary. The member for High Park.

Mr. Shulman: If the Treasurer is going to save $10 million for the province next year, as he said, on Hydro borrowings, and if because of our triple-A rating we get it at one per cent less than other ratings, does that mean that in effect he intends to borrow $1 billion next year? In order to save $10 million he is going to have to borrow $1 billion.

Hon. Mr. White: No, my hon. friend has to look at the terms. He cannot look at one year; he has to look at 20 or 30 years that those stretch out over time. In point of fact, the savings are estimated by my people to range between 0.10 and 0.25 on the yield.

Mr. Shulman: How much does the government intend to borrow next year?

Hon. Mr. White: Hydro will be borrowing in Ontario and in Canada, and we will be borrowing in the United States, for their purposes only, a total of $1.2 billion.

Mr. Shulman: Holy smoke!

Mr. Speaker: Does the member for Scarborough West have further questions?

Mr. Deans: No wonder my constituents can't afford the hydro rates.

Mr. Lewis: The Treasurer is leaving quite a legacy, as he is on his way out. He is really visiting infamy on these people.

Hon. Mr. White: There is not a nickel being borrowed for the Province of Ontario.

Mr. Lewis: Why is the Treasurer destroying the entire party single-handed? Has he no compassion?

Mr. Speaker: The member for Scarborough West has the floor.

Mr. Lewis: One point two billion? What an inflated Treasurer he is.

Hon. Mr. White: There is not a nickel being borrowed for the Province of Ontario.

Mr. Breithaupt: He's no piker.

Hon. Mr. White: We balance our budgets.

Mr. Shulman: He is going to produce inflation world-wide single-handed.

Mr. Lewis: The Treasurer thinks this is Iraq. It isn't. It's Ontario. What's wrong with him?

Interjections by hon. members.

Mr. Speaker: Order, please. Would the member for Scarborough West proceed with his questions?

CREDIT CARDS IN SUPERMARKETS

Mr. Lewis: May I ask the Minister of Consumer and Commercial Relations a question? How does he intend to deal with the supermarket industry on the credit-card announcement? I presume not simply by his announcement today in the Legislature. Is he writing them directly with instructions that they must cancel the credit-card plans? Will he be dealing with them in his offices? How does he intend to approach them?

Hon. Mr. Clement: Mr. Speaker, I'm writing today to the heads of the supermarkets involved, asking them to meet with me next week to discuss the matter and see what their intentions are.

Mr. Lewis: Thank you.

Mr. Singer: A supplementary.

Mr. Speaker: The member for Downsview.

Mr. Singer: Does the minister have an opinion as to what they should do and is he prepared to back up his opinion by legislation?

Mr. Lewis: Yes, he said so.

Mr. Singer: By legislation?

Mr. Lewis: Yes.

Hon. Mr. Clement: Yes, I said so in my statement, Mr. Speaker.

Mr. Speaker: Are there any further questions?

Mr. Roy: Yes, thank you, Mr. Speaker.

Mr. Speaker: The member for Ottawa East.

Mr. Breithaupt: It's near Carleton East.

Mr. Roy: Very close.

CABINET VACANCY

Mr. Roy: I have a question of the Premier, Mr. Speaker. In light of last night's tremendous victory and the stunning defeat for his candidate, who does he have in mind now to be Minister without Portfolio for municipal affairs? I understand there is a vacancy there.

Mr. J. M. Turner (Peterborough): Does the member for Ottawa East want the job?

Mr. Roy: I'm open-minded.

Mr. R. F. Ruston (Essex-Kent): The member won't accept. He wants to stay in our party.

Hon. Mr. Davis: Mr. Speaker, I can assure the hon. member that I'm not contemplating the member for Ottawa East because I know that he, like the member and the House leader for the official opposition, has his own personal ambitions within his own party, so certainly he is not being considered.

Interjections by hon. members.

Mr. Roy: Supplementary: In light of the statement made by his colleague, the Treasurer, that this position was important to fill because of the relations with municipalities, when can we expect that appointment to be made? There are a lot of people on that side who are eager to—

Mr. Speaker: Order please, you posed your question.

Mr. Roy: I'm sorry, Mr. Speaker. When is the Premier going to make the announcement?

Hon. Mr. Davis: What announcement?

Mr. Roy: About the Minister without Portfolio responsible for municipal affairs. The Treasurer said it was important that the post be filled soon.

Hon. Mr. Davis: It certainly is.

Mr. Speaker: Order please, the member might take his seat now.

Mr. Lewis: The Premier might remind the Liberal Party that their vote didn't go up. He should say that when he is feeling unhappy for a moment. Remind them of that. That is how we are consoling ourselves.

Mr. Speaker: The hon. member for Sandwich-Riverside.

VOTING PROCEDURES FOR HANDICAPPED PERSONS

Mr. F. A. Burr (Sandwich-Riverside): Mr. Speaker, a question of the Premier, regarding the municipal elections on Dec. 2: In order that handicapped persons who are unable to reach the ballot box because of stairways at polling stations may no longer be deprived of their right to vote, has the government taken any action to allow deputy returning officers, accompanied by other election officials, to move the ballot box from its usual location in the poll to the bottom of the stairways?

Hon. Mr. White: Mr. Speaker, this question was answered by me a week or two ago. There is a provision enabling disabled persons to vote by proxy if access cannot easily be obtained to the ballot box. If some broadening of this provision is desirable I'd be glad to ask the municipal liaison committee to consider it. Certainly no action could be taken before these municipal elections. One has to safeguard the integrity of the ballot box however, and I wouldn't be in a hurry to make that change of having people lifting the boxes back and forth and in and out.

Mr Burr: Was this statement relayed to all the returning officers in the various municipalities?

Hon. Mr. White: The law is the law, and there is no provision now for deputy returning officers to carry ballot boxes here and there. There is a provision enabling a disabled person to vote by proxy and that fact is known to the returning officers.

Mr. Speaker: The member for Windsor-Walkerville, one supplementary.

Mr. B. Newman (Windsor-Walkerville): Thank you. Is the minister considering drive-in polling subdivisions, one in each larger municipality, so that the handicapped, rather than even leaving the car, could come along and vote right in the car and then deposit their ballot in the box?

Hon. Mr. White: I have never heard this suggestion in my life before. It may have some merit.

Hon. Mr. Davis: First good one in months.

Mr. Ruston: Supplementary.

Mr. Speaker: A further supplementary? This will be the last supplementary on this.

Mr. Ruston: Mr. Speaker, since federal legislation allows a deputy returning officer

to take the ballot box to the car, or to the place where handicapped persons can get into the building, what's the matter with us having the same type of legislation? If it is reliable then, why isn't it reliable now?

Hon. Mr. White: Mr. Speaker, I did say I'd ask the municipal liaison committee to examine the proposition. I wouldn't want to make a move in a hurry. The honesty of the balloting process is tremendously important to all of us. July 8, using the federal rules, did not fill me with confidence. So I'm not going to do anything in a hurry.

Mr. Ruston: Doesn't the Treasurer trust the deputy returning officers?

Mr. Breithaupt: What about Nov. 7?

Mr. Roy: What about Nov. 7?

Mr. Singer: Carleton East, is that what he is talking about?

Mr. Speaker: The Minister of Housing has the answer to a question which was asked earlier.

UNCOMPLETED HOMES IN TIMMINS

Hon. D. R. Irvine (Minister of Housing): Mr. Speaker, yesterday the member for Cochrane South (Mr. Ferrier) asked me the following question:

> Is the minister aware of the number of HOME lots in Timmins where houses were promised to people by Aug. 1 by Pro Investments but the firm has not completed these houses yet? They keep delaying completion so that the people are not able to move in and have to have other housing arrangements, which is causing hardship and confusion. If the minister isn't aware, will he make himself aware of it? What can he do about it to get these houses finished so that the people can move in?

Mr. Speaker, I'm pleased to advise the hon. member that I have looked into this question. Pro Investments received 38 lots in December, 1973, and started construction at that time. Fifteen of the 38 are uncompleted. Our inspector was there yesterday and says there has been no progress in the last two weeks. The builder claims he can't get sub-trades.

Today, we are sending a telegram to the builder telling him if the houses are not completed within 30 days, OHC will move in and complete the work itself. We have a $92,000 mortgage holdback, underneath the Ontario Mortgage Corp. So, therefore, we will assure the people in the member's area that this development will be completed in the near future.

Mr. Speaker: The member for Windsor-Walkerville.

STORE HOURS

Mr. B. Newman: Mr. Speaker, I have a question of the Premier. Is the Premier aware of the communication directed to him by the Windsor chamber of commerce on Oct. 29, that requested information concerning uniformity in store hours and observance of certain holidays? And does the Premier intend to introduce legislation during this session to resolve this problem?

Hon. Mr. Davis: Mr. Speaker, I have had several communications with respect to uniform store hours. Actually, the Solicitor General (Mr. Kerr) has had the bulk of these representations.

As the hon. member is aware, a green paper was published and discussions were held in many areas of the province with the business community and with consumers. The government is assessing the reaction to these meetings and to the green paper.

It is, Mr. Speaker, a very difficult problem for us in that the interests and the needs vary in some parts of Ontario. I think it's fair to state that perhaps the shopping habits in some of the urban centres are somewhat different than they might be in the recreation or holiday areas of the province where, during the summer months, at least, I think there are some unique situations created.

As far as the government is concerned, Mr. Speaker, the Provincial Secretary for Justice (Mr. Welch) is developing a position that hopefully we will have for the members of the House to consider. But I do point out, Mr. Speaker, that while we have had many representations, one of the great things about this province is sort of the unique characteristics of the various regions, and we will try to find a way that will bring some rational solution to this problem. It's not that simple, but I do expect, Mr. Speaker, that we will have some suggestions or proposals to bring to this Legislature.

Mr. Speaker: The hon. member for High Park.

TRAFFIC TICKETS

Mr. Shulman: I have a question, Mr. Speaker, of the Prime Minister. In view of the fact that the Minister of Government Services (Mr. Snow) has refused to reveal a list of those who have had tickets fixed by the protocol department, and in view of the fact this should be public information, will the Premier overrule his minister and have such information revealed?

Hon. Mr. Davis: Mr. Speaker, I will certainly discuss this with the minister. I just want to make it abundantly clear that the Premier of this province doesn't fall within whatever section that may be, in that he has never had tickets fixed by either the Ministry of Government Services or anyone else. Of course, I should hasten—

Mr. MacDonald: That is irrelevant to the question.

Hon. Mr. Davis: —to add I don't think we get many, if any, tickets hopefully.

Mr. Roy: No? Why not?

Hon. Mr. Davis: Well, we always obey the law.

Mr. Speaker: The member for York Centre.

LAND FOR NEW AIRPORT

Mr. D. M. Deacon (York Centre): A question of the Minister of Housing: Because of the numerous cases of extreme hardship that have been caused by the ministerial order imposed on March 2, 1972, by the then Treasurer, will the minister lift that order, forthwith, unless the federal government provides the compensation for those affected landowners?

Hon. Mr. Irvine: Mr. Speaker, I don't believe this particular matter is within my jurisdiction. I think this is a matter which should be settled by the federal government. I would hope the federal government would make a decision in the very near future. We have asked them repeatedly—

Mr. Roy: That doesn't work.

Hon. Mr. Irvine: —to make a decision, whether or not there is going to be an airport.

Mr. Roy: That doesn't work.

Hon. Mr. Irvine: If we can define the federal government's intentions in the near future, the Ministry of Housing will take action as indicated by their decision. But we cannot do so until we have something further from the federal government.

Mr. Deacon: Supplementary: In view of the fact that this is a provincial action, not a federal action—

Hon. W. Newman: Nonsense, it is a request to the federal government.

Hon. Mr. Davis: The member knows it is his friends in Ottawa.

Mr. Deacon: In view of the fact this action may have been done at the request of the federal government, but it is indeed a provincial action, will the minister look after the interests of the people of this province for whom he is responsible?

Interjections by hon. members.

Mr. Speaker: Order please. We are waiting for the answer—the hon. minister.

Hon. Mr. Irvine: Thank you, Mr. Speaker. I think the hon. member knows full well that the action to be taken in regards to whether or not there is an airport is a federal government decision.

Mr. Deacon: I am not asking that. I am not asking about that.

Hon. Mr. Irvine: The action as to a ministerial order certainly was taken by the provincial government, but we had to do so to protect the people of the area in case the development goes through.

Mr. Deacon: Oh go on; the minister is not protecting them.

Hon. Mr. Irvine: If the federal government would do something for a change, I would be delighted to take my ministerial order off.

Mr. Deacon: Supplementary: Is the minister telling me that he is not in a position—

Mr. Speaker: Order please.

Mr. Deacon: —to take legal action or to lift that order? Is he now, because of some binding agreement, not in a position to lift that order? Or can he do it?

Hon. Mr. Irvine: No; I'm not in a position to do it.

Mr. Deacon: That has a pretty hollow sound.

Mr. Speaker: The hon. member for Wentworth.

DUNDAS SEWAGE TREATMENT

Mr. Deans: I have a question of the Minister of the Environment.

Given the decision of the regional council in the Hamilton-Wentworth area of two days ago to permit proceedings with the development of the Dundas sewage treatment plant, will the minister go to Hamilton and stop the development until such time as an environmental study has been undertaken into the effects on Cootes Paradise to ensure that there will not, in fact, be the detrimental effects that many people feel there will be? And if the study turns up that it will be detrimental, will he find an alternative way of dealing with the sewage in the Dundas development area?

Hon. W. Newman: Mr. Speaker, I am aware of the fact that it was a very close vote at the regional council regarding this matter. I don't have it here with me but I made my position very clear on what I felt should be done, I believe, in a letter in July of this year. I believe it was to the regional council, at any rate the municipality involved. I made my position quite clear at that time.

Mr. Deans: Supplementary question. I don't care what your position was in July. They have made a decision to enlarge the sewage treatment plant, and it's obviously not in the best interests of the total environment of the area. Will he now, as Minister of the Environment, take steps to ensure that whatever damage might occur will not be allowed to happen?

Hon. W. Newman: I assure the member every plant that goes in is well thought out and well planned by our people. We do not allow any plants to go ahead unless we are satisfied the effluent will be properly taken care of.

Mr. Deans: What does that mean? Is the minister going to meet me?

Mr. Speaker: The member for Welland South.

HAZARDS OF ALUMINUM ELECTRICAL WIRING

Mr. R. Haggerty (Welland South): A question, Mr. Speaker, of the Solicitor General:

Is the minister not concerned about the two newspaper articles written about the aluminum wiring in homes in Ontario, headlined "No Hazard Found with Well-connected Aluminum Wiring" and "Aluminum Wiring Can Be a Hazard, Hydro Confirms"? What action is contemplated by his ministry to the office of the fire marshal to ensure that homeowners who have installed this type of electrical wiring can ease their minds that action will be taken to ban any further installation of aluminum wiring until there is a guarantee that no fire hazard exists?

An hon. member: A good question.

Hon. G. A. Kerr (Solicitor General): Mr. Speaker, I wasn't aware of that article. If the hon. member will send it over to me I'll look into it and make sure the fire marshal comments on it.

Mr. Speaker: The member for Sudbury.

DEMAND FOR FERTILIZER

Mr. M. C. Germa (Sudbury): Mr. Speaker, a question of the Minister of Agriculture and Food: Could I ask the minister how he responds to the federal Minister of Agriculture's statement that he may have to curtail the supply of fertilizer to backyard gardeners? Do backyard gardens have a significant impact on our food supply?

Mr. Lewis: Did the members see the Gallup poll on Eugene Whelan? Kind of makes one feel better, doesn't it?

Hon. Mr. Stewart: Mr. Speaker, I haven't seen that statement which the member refers to concerning the use of fertilizer, but I do know that there are enormous quantities of fertilizer used on lawns, gardens, golf courses, cemeteries and other such things for grass production. Certainly at times when fertilizer supplies are very scarce and when they are extremely badly needed for food production throughout the world, I would think that this would be a good time for those who are in charge of those grounds to take a second look at their requirements for the next year or two.

It would appear that with the development of new fertilizer plants throughout the world —and there is a substantial increase in the facilities being built now to produce fertilizer—within probably two years there will be abundant sources again. But in this interval I think it would be wise for all to consider curtailing the use of fertilizer wherever it can be done. We have asked all farmers to embark on soil testing before they order fertilizer for next year's use. It seems to me it's just good, prudent common sense; but more important, it is making it possible for

those countries of the world in great need of it to have added access to it.

Mr. Speaker: The member for Kent.

SHORTAGE OF VETERINARIANS

Mr. J. P. Spence (Kent): Mr. Speaker, I have a question of the Minister of Agriculture. Is it true that there is a shortage of veterinarians across the Province of Ontario when we have farmers saying that it's impossible to get veterinarians to take care of animals?

Hon. Mr. Stewart: Does the member want the five-minute variety or—?

Mr. Lewis: Don't let the Provincial Secretary for Resources Development talk into the minister's mike.

Hon. Mr. Grossman: I want to know about that last election poll.

Hon. Mr. Stewart: Mr. Speaker, in certain areas of the province, because of the decreased livestock population in those areas, because of the advent of cash-crop farming at these wonderful prices farmers are now receiving—

Mr. Roy: Thanks to the federal government.

Hon. Mr. Stewart: —there is likely to be less need for veterinarians in those areas. In areas where there are substantial livestock populations there doesn't seem to be the same shortage.

Mr. Speaker: The hon. member for Port Arthur.

Mr. J. F. Foulds (Port Arthur): Mr. Speaker, I have a question of the Premier, if I might.

Mr. Spence: Supplementary

Mr. Speaker: Order, please. We will allow the member who asked the question a supplementary.

Mr. Spence: I am greatly concerned that they are unable to get a veterinarian when they need one.

Mr. Speaker: The member for Port Arthur.

TORONTO WORKSHOP PRODUCTIONS

Mr. Foulds: Thank you, Mr. Speaker, I have a question of the Premier, if I might. In view of the very serious fire suffered by Toronto Workshop Productions this past week which prevents their putting on a very important production in the immediate future, can the government find some way to supply emergency funding to Toronto Workshop Productions to rebuild their theatre and to put on the production within the very near future? There is a total amount of about $65,000 involved. I ask the Premier the question in view of the contribution that TWP has made not only to professional theatre in Toronto but throughout the country and internationally.

Hon. Mr. Davis: Mr. Speaker, I think if there hasn't been, there should be some communication from the theatre group to the Ontario Arts Council. I would be quite prepared to suggest this to them and see if the Arts Council through its endeavours could be of help to them.

Mr. Foulds: A supplementary, if I might, Mr. Speaker: The reason I raise it with the Premier is it is my understanding the Arts Council would not have that amount of emergency funding, its budget pretty well being planned for operational things. I would really like the Premier to look at it pretty seriously in view of the contribution they make.

Hon. Mr. Davis: Yes.

Mr. Speaker: The member for Ottawa East.

GLOUCESTER TOWNSHIP SCHOOL TAXES

Mr. Roy: Mr. Speaker. might I ask a question of the Premier again pertaining to Carleton East? The cabinet has presently a decision of the Ontario Municipal Board in relation to a tax assessment vis-à-vis the municipality and the public school board. Can the Premier advise us when the taxpayers of Carleton East can have the cabinet decision on this?

Secondly, the Premier might advise us as well, again in light of the fact of last night, that he can show the voters of Carleton East that he is not only human but that he has compassion.

Mr. Singer: He tippy-toed all the way back here this morning.

Hon. T. L. Wells (Minister of Education): What about the voters of Nepean?

Hon. Mr. Davis: I would only say to the hon. member that we discussed this at some length with the member for Ottawa Centre (Mr. Cassidy), I think a few days ago when the member for Ottawa East was busy in Carleton East—

Mr. Roy: That's obvious.

Hon. Mr. Davis: —looking after the needs of his constituents, of course.

Mr. Roy: Of course.

Hon. Mr. Davis: I think I observed on that occasion, Mr. Speaker, that the appeal was coming to cabinet and that it is rather complex in nature. I am not sure whether all the representations have come in from the various parties to the appeal to cabinet. As soon as we have the total information we will deal with it. I cannot give the member for Ottawa East a definitive date at this moment but we are anxious to get it resolved and shall do so as soon as we have the information totally available to us

Mr. Roy: Mr. Speaker, could I ask one supplementary?

Mr. Speaker: One supplementary.

Mr. Roy: On that point, does the Premier plan to meet with the township council of Gloucester? As I understand it, he attempted to meet them on his last trip down last Monday. Is that something he tried to firm up or is that something he plans to do in the near future?

Hon. Mr. Davis: Mr. Speaker, when it comes to appeals to cabinet, I think it's quite understandable that those people who work on the documentation, and perhaps individual ministers, may speak to some of those people who have positions that are part of the appeal.

It has not been the custom of cabinet, as a whole, to talk to or interview or discuss it, shall we say, with any single party to the appeal. I think then we would be in the position of having to discuss it with every group or municipality or what have you. So that, as a result, it was not my intention, personally, to meet with the municipal council. We haven't done this, and I think it would be perhaps unwise or improper to do so. But I am sure there have been discussions with the municipality by those people who have the responsibility for preparing the documentation for cabinet to consider.

Mr. Speaker: The member for Scarborough West.

VOTERS' LISTS

Mr. Lewis: Yes, a question of the Premier, which relates to the by-election, but in a totally different vein: Could I ask him, based on the experience of Stormont and Carleton East—Carleton East in particular—to request of the chief electoral officer in Ontario that we take a close look at this business of placing voters' lists on assessment rolls in alphabetical order.

I want to suggest to the Premier that, in my 20-odd years of campaigning, I have never seen such an administrative shambles in an election campaign as was true of Carleton East, in terms of the apparatus, and that we may be introducing so many mechanical difficulties into an election that ultimately it is self-defeating. Voters are confused, election workers are confused and the apparatus just grinds to a halt along the way.

Hon. Mr. Davis: Mr. Speaker, I can't speak directly, because I did not discuss it with those responsible in Carleton East, but the impression I had was that this procedure probably was confusing to a number of people. There is the assumption that because it is an alphabetical list, that this makes it easy to communicate and perhaps sort out these people, as it relates to the polls. I think there are some problems, and I would be quite delighted to discuss it with the chief electoral officer. Very fortunately, he is in a position to listen to these observations here this morning.

Mr. Roy: Mr. Speaker, can I ask the Premier a supplementary on that point? I think the leader of the NDP raises a valid point. In my discussions with Liberal workers and, in fact, some of the other workers, there is the great difficulty of having those lists on an alphabetical basis—

Mr. Speaker: Is this the member's question?

Mr. Roy: Yes, I am getting there, Mr. Speaker. Would the Premier not think that we would be better off to go to the old system, by streets? On the alphabetical list it makes it exceedingly difficult even to point out who has been missed in enumerations—

Mr. Speaker: Order please; you have asked the question.

Hon. Mr. Davis: Mr. Speaker, as I said, I am quite prepared to discuss this with the chief electoral officer; who I just sensed was

nodding his head in some form of, not necessarily agreement, but in recognition of, I think, the difficulty that we experience. However, I should not interpret nods in that fashion.

Mr. Speaker: Order, please. The member for Windsor-Walkerville has a question.

WYETH PHARMACEUTICAL COMPANY

Mr. B. Newman: Mr. Speaker, I have a question of the Minister of Labour. Could the minister inform the House of the status of the strike at Wyeth pharmaceutical company in the city of Windsor? and also, if there is any danger that there may not be enough pharmaceuticals and drugs for distribution, and a shortage in some cases?

Hon. J. P. MacBeth (Minister of Labour): Mr. Speaker, that strike is in mediation and my officers are doing their best to bring the parties together. The members may be aware, of course, that this is the company that makes "the pill"—and I have no guarantee whether there is an adequate supply of them or not.

Hon. Mr. Grossman: Better get them.

Hon. Mr. MacBeth: But, I would hope that, for the sake of everybody concerned, we might soon get them back into production—that end of the production.

Mr. Breithaupt: Don't let the strike go for more than a month.

Hon. Mr. MacBeth: Mr. Speaker, my hon. friend asked me the other day about the medical effects, if they had to switch from one to the other. I suppose the obvious—

Mr. Lewis: The minister should ask himself why he engaged in that little diversion.

Hon. Mr. MacBeth: What diversion? Why do I mention it?

Interjections by hon. members.

Mr. Speaker: Order please.

Mr. Lewis: The pill. What was that all about?

Hon. Mr. MacBeth: Mr. Speaker, the other day my friend asked me about the medical effects of it, if they had to switch from one pill to the other. And I said that I was not aware as to whether there would be any ill effects or not.

Mr. Lewis: After all, he's the Minister of Labour.

Hon. Mr. Grossman: Why the Minister of Labour?

Mr. Deans: That question should have been asked of the Minister of Health (Mr. Miller).

Hon. Mr. MacBeth: I asked my friend, the Minister of Health, if he would follow it up—and he undertook to do so. Regrettably, he is not here today. But I was not going to try to answer that end of the question. I asked the Minister of Health; and I hope he will have an answer.

Interjections by hon. members.

SOLAR ENERGY

Mr. Speaker: The member for Sandwich-Riverside.

Mr. Burr: Mr. Speaker, a question of the Minister of Housing: Inasmuch as millions of solar water heaters have been sold in Japan in the past two years, and inasmuch as in northern Australia the government now demands that all new houses have solar water heaters, is the minister doing anything to encourage the use of any kind of solar energy for new housing in Ontario?

Hon. Mr. Irvine: Mr. Speaker, I am not personally, but my ministry may be. I will look into the question and reply to the member.

Mr. Speaker: Any further questions? The member for High Park.

NAPANEE INDUSTRIES

Mr. Shulman: Yes, I have a question of the Minister of the Environment, Mr. Speaker. Is the Minister of the Environment listening?

Mr. Lewis: What difference does it make whether he hears or not?

Mr. Shulman: Is the minister—he still doesn't hear me.

Mr. Speaker: I would try him. Would you proceed with the question.

Mr. Shulman: Yes. Is the minister aware that Napanee Industries has been forced to close after some 60 years in operation, because this ministry was so slow in paying its bills on the sewage treatment plants that

were being built? And, is the minister also aware that, as recently as two weeks ago, the ODC turned down a grant to Napanee Industries, which would have allowed them to continue going until the minister paid its bill?

Hon. W. Newman: Mr. Speaker, I know about the industry. I was not aware that it had closed down. We have the same terms of payment with every industry we deal with. We pay on delivery. We do pre-order equipment, and we don't pay for it until we get it. If this is what the member is talking about, then I am fully aware of that.

Mr. Shulman: A supplementary: Is the minister aware that, in effect, Napanee Industries was a subcontractor, and it was the ministry's ruling, under the Public Works Creditors Payment Act, which prevented them putting a mechanics' lien on the main contractor and collecting their money? Will the minister at least intervene with the Minister of Industry and Tourism (Mr. Bennett) and let them get a grant so they can keep going?

Hon. W. Newman: Well, if there's anything I can do to expedite matters in my department, yes. But as far as the Ministry of Industry and Tourism is concerned, the hon. member will have to ask the minister.

Mr. Speaker: The hon. member for Ottawa East.

LAND OWNERSHIP DISPUTE IN OTTAWA AREA

Mr. Roy: Mr. Speaker, a question of the Minister of Housing. Has the minister been involved at all in the negotiations currently going on between Rideau township, the new township in Ottawa, and a certain company, in relation to the Marlborough township mess, where certain lots were conveyed contrary to the Planning Act? Has the minister been involved at all?

Hon. Mr. Irvine: Not personally or directly. Indirectly I have knowledge of the affairs that were proceeded with last year; I can't remember the exact date at this particular time. It's my understanding, though, that the regional municipality of Ottawa-Carleton has initiated legal action to make sure that this particular action of Marlborough township is not one that will be followed in the future.

Mr. Roy: Mr. Speaker may I ask the minister a supplementary, please? I realize there has been a court action in the High Court and that the matter is currently under appeal, but in light of the fact that the people who purchased lots did so clearly contrary to the Planning Act, according to the court, does the minister not feel that those purchasers—and there are quite a number of them who are sitting on their properties without title to them—are entitled to some action on the part of his government at an earlier date than has been indicated so far? Does the minister contemplate, for instance, a bill to regulate that situation in Marlborough?

Hon. Mr. Irvine: Mr. Speaker, I'm not a lawyer as is my hon. friend, but I think he would admit that I shouldn't make any comment if there is an action before the courts. Whether or not I should do something will be determined after the court action is finished.

Mr. Singer: A supplementary: Is the minister prepared to change the legislation, or the most recent amendment to the Planning Act dealing with this matter, and allow the province to take action, instead of continuing the sloughing-off of the responsibility on to the municipal councils? The municipal councils, as he knows, won't take any action.

Mr. Roy: These people won't have title to their property for two years.

Hon. Mr. Irvine: Mr. Speaker, we have certainly taken this matter into full consideration. If we are aware that any action is being contemplated similar to what happened in Marlborough township we impose a ministerial order to make sure there is no development. In the future, if we find it's necessary to amend the Planning Act, I'd be quite willing to do so. I feel that the province has not sloughed off its responsibility to the municipalities.

Mr. Singer: Sure it has. There are all sorts of people stuck in Whiterock.

Hon. Mr. Irvine: I feel that the province has made it very clear to the municipalities that we will not validate these particular severances unless they have agreed in writing and have asked the province to do so. We did this last year in legislation.

Mr. Singer: Yes, but the legislation is wrong.

Mr. Speaker: Order, please. The oral question period has expired.

Petitions.

Presenting reports.

Hon. Mr. Clement: Mr. Speaker, I want to table for the information of the members copies of the guidelines issued by the superintendent of insurance in connection with creditors' group insurance, as requested.

Hon. Mr. Brunelle presented the annual report for 1973-1974 of the Ministry of Community and Social Services.

Hon. Mr. Winkler: Mr. Speaker, in the absence of the Minister of Health, he has asked me to table the report referred to yesterday regarding methyl mercury.

Mr. Speaker: Motions.

Hon. Mr. Winkler moves that when the House adjourns today it stand adjourned until Tuesday next, Nov. 12.

Mr. Breithaupt: Mr. Speaker, on the motion, just to add a further point, will we then be going on with the estimates of the Ministry of Housing on Tuesday?

Hon. Mr. Winkler: Mr. Speaker, I will communicate with the House leaders in the course of the morning. That really wasn't my intention, but we will work that one out.

Motion agreed to

Mr. Speaker: Introduction of bills.

LAND TRANSFER TAX ACT

Hon. Mr. Winkler, in the absence of Hon. Mr. Meen, moves first reading of bill intituled, An Act to amend the Land Transfer Tax Act, 1974.

Motion agreed to; first reading of the bill.

Hon. Mr. Winkler: Mr. Speaker, again I am doing this as a courtesy for the Minister of Revenue (Mr. Meen). Very briefly, I can say that the amendments are being brought forth to ameliorate certain situations that existed prior to April 9 for those people who registered and are doing business in the province.

Mr. Roy: That clears it right up.

Mr. P. D. Lawlor (Lakeshore): That's terrific. That is where "ameliorate" covers a lot of ground.

COMMUNITY RECREATION CENTRES ACT

Hon. Mr. Brunelle moves first reading of bill intituled, The Community Recreation Centres Act, 1974.

Motion agreed to; first reading of the bill.

Hon. R. Brunelle (Minister of Community and Social Services): Mr. Speaker, briefly, this is a re-enactment of the existing Community Centres Act. It will make the following main changes: increase the amount of capital grants available to municipalities for community recreation centres; broaden the classes of community recreation centres that will be eligible for financial assistance; provide for the first time for payments of grants to non-profit corporations establishing community centres in unorganized territory; and improve methods of payment of grants so that payments will be expedited.

LANDLORD AND TENANT ACT

Mr. Leluk moves first reading of bill intituled, An Act to amend the Landlord and Tenant Act.

Motion agreed to; first reading of the bill.

Mr. Lawlor: Imposing controls, eh? Amazing! The member is socially conscious.

Mr. N. G. Leluk (Humber): Yes, sir.

Mr. Speaker, the purpose of the bill is to provide for a fluctuating interest rate on security deposits.

Mr. Germa: Mr. Speaker, could I interrupt proceedings?

Mr. Speaker: Yes.

Mr. Germa: I would like to introduce, sitting in the east gallery, 39 students from Sudbury Secondary School under the control of Mr. Kett. It was pointed out to me that this group of young people left Sudbury at 4:30 this morning to be with us now.

Mr. Speaker: Orders of the day.

NOTICE OF MOTION No. 4

Clerk of the House: The government notice of motion No. 4, by Hon. Mr. White.

RESOLVED: That this House confirms the order made under the Niagara Escarpment Planning and Development Act, 1973, and filed as Ontario Regulation 118/74.

Mr. Speaker: The member for Kitchener.

Mr. J. R. Breithaupt (Kitchener): Does the minister have any statement to make?

Hon. J. White (Treasurer, Minister of Economics and Intergovernmental Affairs): I have an opening statement that will put it in perspective, Mr. Speaker. In moving this resolution, I should like to take a few minutes to review the importance of this step as part of our continuing programme of escarpment preservation.

The members will recall that in June, 1973, this government presented a comprehensive policy statement on the Niagara Escarpment. This statement pledged action to preserve the major natural features of the escarpment through the preparation and adoption of a master plan which would outline specific programme commitments. So that this master plan could be prepared with a significant contribution from affected municipalities and residents, we established the Niagara Escarpment Commission, with membership drawn from municipalities and residents in the area, as well as individuals representing the broader provincial interest.

The Niagara Escarpment Commission began operating late last year under the able chairmanship of Mr. George McCague, the former mayor of Alliston. The commission began a review of the Planning Act area during the winter of 1973-1974, viewing this as the first main order of business. Why a review of the planning area is considered to be of such importance by the commission will become evident if I outline briefly the role played by the planning area.

Under the terms of the Niagara Planning and Development Act, the planning area has two major functions.

First, the planning area will be the designated area covered by the escarpment commission's master plan. It is therefore essential that the planning area be large and comprehensive enough to encompass all lands associated with the Niagara Escarpment.

Second, certain parts of the approved planning area will be designated for development control. For this reason it is necessary that the planning area be clearly defined. I will return to the development control programme in a few minutes.

Because our attention today is on the planning area it might be useful to refresh our memories with a brief outline of how the planning area has evolved. In 1967-1968 we had the Gertler report. The conduct and plannings of this report are well known to members and need not be restated here. What is important to notice is that in the course of the study Prof. Gertler was the first to delineate a prototype planning area for the escarpment.

Initially, the study area included all lands within two miles of each side of the escarpment itself. As the study progressed, many adjustments and refinements were made to this area to include recreational and environmental features of special significance. There are many examples of such changes. The headwaters of streams which flow from the escarpment were covered, as were the Niagara Peninsula fruitlands below the escarpment and some agricultural tablelands above it. Also, the entire Georgian Bay shoreline associated with the escarpment was added because of its recreational capacity.

After studying the Gertler report, the government acted on many of its suggestions and in 1972 appointed the Niagara Escarpment task force to recommend a concrete programme for escarpment use and preservation. In its report the task force recommended that the Gertler study area be expanded to include the whole of the Bruce Peninsula so as to protect its shoreline and its many good harbour sites. The task force also recommended that, in order to facilitate legal description, the entire area be "squared off" to recognize the concession, lot and municipal boundaries nearest to the study area limits. Finally, the task force recommended that this modified area become the Niagara Escarpment planning area to be used in the preparation of the master plan.

The government accepted the recommendations of the task force in its policy statement last year. However, we did ask the Niagara Escarpment Commission to give early attention to a final review of the proposed planning area before regulations were drafted to define the area formally.

During its review, the commission discussed the proposed planning area with municipalities, conservation authorities, and a number of ministries. Most of these groups expressed satisfaction with the area as set out by the task force. Three conservation authorities—Niagara, Credit and Nottawasaga—felt, however, that the planning area boundaries should be altered to include parts of their watersheds. In addition, the commission identified a small area near Wiarton which it believed should be included in order to monitor any expansion proposals by local quarrying operations. It was felt that any expansion could affect seriously other land uses in adjacent parts of the planning area.

In its examination of these further proposed changes in the planning area, the commission was satisfied that these would aid it in achieving its primary purpose as stated in legislation:

> To provide for the maintenance of the Niagara Escarpment and land in its vicinity substantially as a continuous natural environment, and to ensure only such development occurs as is compatible with that natural environment.

Accordingly, the commission recommended to the government that the Niagara Escarpment Planning Area as recommended by the task force and with the additions noted above, be formally adopted as set out in section 3 of the Niagara Escarpment Planning and Development Act.

When we received this recommendation from the commission, the changes suggested were evaluated by my staff and accepted by me. However, at the same time it was noted that a very small part of Wellington county, near Erin, had been included in the planning area. It was determined by my staff, in consultation with the staff of the commission and other ministries, that this small area—some nine square miles—was not essential for the preparation of an escarpment plan. Since this was the only part of Wellington county which would be within the planning area, and because its inclusion was not essential, my staff recommended that this area be excluded. I accepted this suggestion.

Finally, a regulation outlining the revised area in detail was drafted, and I signed it. It is this regulation which is now before the assembly for confirmation.

In summary, the planning area which members are being asked to confirm is the area recommended in our policy statement with three modifications:

1. An enlargement to include significant portions of the watersheds under the jurisdiction of the Niagara, Credit and Nottawasaga conservation authorities;

2. The addition of a small area near Wiarton which is very sensitive ecologically to any expanded quarrying operations; and

3. The exclusion of a very small portion of Wellington county near Erin.

Before concluding, Mr Speaker, I wish to say a few additional words about the development control programme for the Niagara Escarpment. While development control is not the subject of our debate today, this is a good opportunity to bring members up to date on this vital element of our escarpment preservation policy.

In our policy statement last year the government agreed to the institution of an experimental development control programme in selected parts of the Niagara Escarpment planning area. The features of this programme were discussed in detail during the debate leading to passage of the Niagara Escarpment Planning and Development Act, and so need not be repeated now. I should note only that development control represents an alternative to zoning as a means of controlling land use.

Under the zoning system, with which we are all familiar, once a zoning bylaw becomes law it can only be changed by a formal amendment, which is a time-consuming process. The standards established for each zone are necessarily based on the average conditions within that zone. Topography, tree cover, drainage and road access may differ widely within a zone, but the standards designed to meet average conditions must ignore these differences. Accordingly, the standards designed to meet average conditions are applied uniformly whether or not they are appropriate for a particular piece of land within the zone.

In contrast, development control employs no zones. It sets out few detailed standards in advance. Instead, it relies on general guidelines. Every development proposal is judged on its own merits. If it is found compatible with the goals, objectives and policies of the guidelines, the developer is permitted to proceed.

The development permit may be issued subject to whatever standards and conditions are considered appropriate in relation to land use, lot size, building locations, tree cover, or other factors. Unlike zoning, development requires no amendment of pre-established standards.

In the case of the escarpment, applicants for development permits and the commission will all have greater flexibility to ensure that any development is compatible with its environment. We believe that development control is particularly appropriate in parts of the escarpment area where environmental protection is our major objective and the ecological framework is both sensitive and dynamic.

After its review of the planning area, the Niagara Escarpment Commission devoted a major portion of its time to the preparation of a detailed system for the implementation of the development control programme. In

doing this, the commission has concentrated on three aspects:

1. The area within the Niagara Escarpment planning area which should be designated for development control.

2. The guidelines to be used in judging the merits of development applications.

3. The procedures to be followed by both applicants and the commission in order that applicants can be dealt with fairly and quickly.

The commission has now completed its work on the development control programme and has made a series of recommendations and programme proposals to the Minister of Housing (Mr. Irvine) and me. These recommendations and proposals are now being reviewed by staff. I can report to the House that, once the regulation setting out the planning area is confirmed, the development control programme will be instituted very shortly. At that time the government will make a brief statement setting forth the area, criteria and procedures.

But to return to the main purpose of this debate, what is now required is confirmation of the Niagara Escarpment planning area so that the master plan process may proceed, and the development control programme can be initiated.

Mr. Speaker: The hon. member for Kitchener.

Mr. Breithaupt: Mr. Speaker, it has been interesting to listen to the minister's comments this morning and to review, as he went over them, the history and background of this commission.

As the minister has informed us, the motion, of course, is to complete the matter which had been initiated earlier and which required the actual delineation of the escarpment planning area to come back before the House.

We were rather interested in the actual terms of section 2 of the regulation, because therein the commission is directed, and I quote:

> (a) to carry out an investigation and survey of the environmental, physical, social and economic conditions in relation to the development of the Niagara Escarpment planning area and; (b) to prepare within a period of three years a plan based upon the results of the survey in investigations suitable for approval as the Niagara Escarpment plan.

It is rather curious that this three-year term should come up, because that will take us approximately to 1978, or thereabouts. When one goes back to the terms of the Gertler report, the comments that were made at that point would have cost, in the ideas of Prof. Gertler, some $31 million and would have, within the eight-year term that he had set out, also brought us approximately to 1978.

We realize, of course, that the hon. Treasurer knew something had to be done in this matter. At the inaugural meeting of the escarpment commission, held just a year ago, Nov. 6, 1973, the stated goal the hon. minister gave was as follows:

> To provide for the maintenance of the Niagara Escarpment and land in its vicinity, substantially as a continuous natural environment and to ensure only such development occurs as is compatible with that environment.

Now, I must say, Mr. Speaker, that we on this side of the House agree that that is certainly the proper goal. But then, as the minister continued in his remarks, we come certainly to a slight divergence of opinion. The minister spoke about the purchasing of the whole property—why not buy up the whole place, rather than keep us in suspense? The results that the minister forecast would be the public ownership of some 1.3 million acres of land at a cost to the public treasury in excess of $3 billion, as the minister said, or almost half of Ontario's annual budget. It's amazing in itself, Mr. Speaker, that a year later that $3 billion is only one-third of Ontario's annual budget, but so much for development within the province.

There are problems that we have seen because we think that the action that has been taken should have been taken much earlier. The Gertler report, setting out in detail the purchase of land and the achievements which could be obtained, developed in its three-priority term a series of actions which would be required within eight years. Those eight years, as I have said, would have taken us to the same point of time that the minister's plan takes us, but there is a vast difference. The difference is for $30 million those eight years would have seen control over the escarpment as a fait accompli. Now we are going to see, for a price as yet unascertained, a plan which may be in place in the same length of time.

I suggest to you that the minister perhaps is close to the mark when he says that to acquire the land by purchase now would cost some $3 billion, or might have a year

ago. Who knows what the astronomic cost is going to be? What we suggest to you, Mr. Speaker, is that that cost could have been much, much less half a dozen years ago, if the actions that the government should have taken under the Gertler report were taken.

This is going to prove to be a very expensive project for the people of Ontario. I think everyone of us in this House believes that the project is worth while. We however regret seriously that the resulting costs, because of the delay of this government in not proceeding promptly with the Gertler report that was hailed by all, are going to be a burden on the taxpayers of Ontario. The regulation, of course, is now a formality because the planning area must be defined. What we have found is a grave amount of disappointment in the procrastination that the ministry has taken over the years since 1968 and 1969 when, five years ago, this Gertler report was before us and also when the cost of the land would obviously have been substantially less than it's going to be now.

We regret this additional burden on the taxpayers of the province because we think it could be avoided. The motion itself is a formality and necessary before the project can proceed as the minister has called for it. The commission in its activities so far has made a start which I think we all applaud. Again the activities of Mr. McCague and his assistants have become better and better established as the planning process continues. But I must say, Mr. Speaker, as I have said earlier, we regret the delay that it has taken and we regret the increased costs which we believe could substantially have been avoided.

Mr. Speaker: The member for Wentworth.

Mr. I. Deans (Wentworth): Thank you, Mr. Speaker. There are two or three things I want to say about the resolution. To begin with, I want to identify what has happened because I think that anyone who may not have looked at the resolution and compared it with the map may not fully appreciate—although I know the minister does, the other members of the House may not fully appreciate—what has occurred in the resolution. This was the result, I know, of the hearings that were conducted by the commission and the decisions that they made as the result of representations made by a number of different bodies. I am not exactly clear why some of the changes were made. I think it would have been useful in the overall had we had some further explanation of the reasons why and the background material for the final changes that were made. There are significant differences.

Hon. Mr. White: Mr. Speaker, if I may, I would be delighted to have the experts put those details in front of a meeting of the members of the Legislature, in a standing committee or elsewhere, together with maps, if that is the desire of the members.

Mr. Breithaupt: That would be a very helpful thing, perhaps on a Wednesday morning or sometime when all members who would be interested could attend, Mr. Speaker.

Mr. Deans: I appreciate my colleague saying that. I think it would have been necessary in fact. It would have been useful to have done it prior to the time that we dealt with the resolution, because we are actually approving something that we don't know much about. We are being asked to approve very technical guidelines and very technical, legal descriptions of properties that we really don't know much about and we don't know the reasons why they are included.

There are some things that come very quickly to my attention as I look at the map. The first is that in the riding I represent, the area to be within this description that will be under the control of the commission at this stage and ultimately will be under development control of some kind or another, extends eight miles back from the escarpment face. Now, we have got to ask ourselves why it goes eight miles back.

What is there in that eight miles that justifies doing this and what effect is this going to have on the properties within that area? If we take a look at the map, we will find, for example, that in Binbrook and Glanford—they no longer exist in those names; they are now known as Glanbrook township – the boundary takes in the town of Binbrook, which is eight miles from the escarpment face, and continues right along the escarpment and takes in Bismarck, which again is some considerable distance back from the escarpment, perhaps more than eight miles, at that point.

Mr. Breithaupt: I was in Bismarck yesterday and it is a long way away from the escarpment.

Mr. Deans: I have got some real reservations about how the commission came to the decision to put those areas within their jurisdiction. The area set out runs from Mount Hope to Silverdale, and that's a very extensive

area of control. The commission tell us, as we inquired of them, that it was something to do with the preservation of additional agricultural land. But I want to point out to you that right in the centre of this area that's being considered for preservation purposes is a housing subdivision being built by the Ontario Housing Corp. that will house 40,000 or 50,000 people by the time it's completed, perhaps even more. There is some inconsistency about what's happening here, and I would dearly like to have some explanation from the officials of both the commission and the ministry as to how they came by that decision.

I would also like to know the effect that this decision will have on many of the people who are going to be in the process in the next short while of trying to acquire land for housing, because all of the housing that's going to be built in the Hamilton area is going to be built within the area designated by this commission. All of Glanbrook and all of Stoney Creek town is where the housing is going to be built in the next two or three years, and I don't know now how the people who own that land or who may well be in the process of attempting to get approvals for development purposes will be able to make their proposals compatible with the objectives of the commission. I think that's something that would have to be explained to us at some point.

In addition, there are the other minor changes, that have been made all the way along. It's worthwhile that the ministry give us the reasons for those minor changes, although they are considerably smaller in area than the one I have just mentioned.

The other point that bothers me is the procedure that we use in approving a resolution of this type. It really makes a mockery of the legislative process. We are asked by the government to approve in principle something for which no justification or explanation has been given and for which there may well be a great series of questions requiring to be asked that are not absolutely apparent at this point.

I am in the process, I suppose, of saying to the minister that if it didn't matter much and if it could be arranged for next Wednesday morning, let's say, perhaps we could approve this on Thursday next; and between now and then perhaps we could have the benefit of the knowledge of the ministry and the commission in order that we could vote on it sensibly. I think you would agree with me, Mr. Speaker, that that is an important part of any process. We would be derelict in our duties if we were to approve it, not knowing fully what it was all about.

Hon. Mr. White: If I may, I quite like the idea of having the meeting as suggested, although in fairness there have been lots of meetings, including one in Hamilton, where the information might have been elicited. Nonetheless, if we could conclude the debate today, I would be quite willing to see the vote held until next Thursday as is suggested. The reason I would like to conclude the debate today is that I will be away next Thursday, and we do want to proceed with the development control regulations upon which we are dependent for this resolution today.

Mr. Speaker: Is that agreeable?

Mr. Deans: In response to that, and then the Treasurer can answer, I think we could probably proceed with the debate today, and we might make some of the points that we want to make, provided there is an understanding that if information is elicited at the meeting which justifies some further discussion with the minister that the vote, in fact, will then not go ahead until such time as the minister is present.

Hon. Mr. White: Why not have the debate today, have the show-and-tell next Wednesday morning for those members who are interested, have the vote on Thursday, providing the explanations are acceptable to those provided with the more detailed information? In the event that there are objections to the plan for which we seek approval, we will have to attend to it on my return, which is to say about two weeks from now. I would hope that the vote could proceed unless there were important substantive objections.

Mr. Speaker: Is this understood?

Mr. Deans: I am not yielding the floor other than for this point.

Mr. V. M. Singer (Downsview): That's all I want. I want to say that I don't think we should preclude ourselves from the opportunity of carrying on further debate when the minister returns. I have no objections to that —if there are matters of substance. We can do that, I would think, on unanimous consent. On a resolution of this kind, I would think one can only, according to the existing rules, speak once. If we have unanimous consent, then I think we would be prepared to go along.

Mr. Breithaupt: We are prepared to agree to that, Mr. Speaker.

Mr. Speaker: This is understood then?

Mr. Deans: Yes, Mr. Speaker.

Mr. Speaker: On this point?

Mr. Deans: On the point, that's fine then, because I wanted then just to take a minute or two to talk about my views about it. During the initial introduction of this legislation, I did express some concerns about some aspects of the legislation, particularly about that matter called compatible development. It is my understanding from discussions that we have had with the commission that this has, in fact, become a major bone of contention. What I thought might occur, because of the difficulty in defining what compatibility really is, is occurring. There is a continuous dialogue, ranging almost to the point of being disagreement, between the commission and many of the local communities that are falling within the area designated as to what compatibility really is, how you establish it and whether or not it isn't an inching process of the type I spoke about, whereby what may well be approved today, we find next year or the year after, something that is compatible with it but would not have been compatible with it in its raw state.

I think that that has been one of the real difficulties that the commission has faced, as I understand it. I am eager that the commission be there to talk about that because it may be that, in addition to approving this resolution dealing with these boundary lines, we may be able to get an insight into some changes that could take place to make their job easier in trying to establish the guidelines for the development or non-development or preservation, as I would prefer to see it called, of the Niagara Escarpment area. The whole argument is centred on estate residential construction. Local councillors and other people have been making representations and appearing before the commission in support of the development, because of the obvious benefits that flow from the realty tax and assessment, and other commission members who are not affiliated with local councils have been arguing that the preserving of the escarpment in the public interest means ensuring public access rather than just simply saving land in estate holdings.

The part that permits the establishment of advisory committees to the minister I think should be proceeded with. It hasn't been, to my knowledge—and our checking indicates that it hasn't been. It has been for the parkway, but not for the Niagara Escarpment.

I think at this point that it would serve the minister well, and he may not face the same kind of difficulties from time to time in the House and outside, if he did establish the advisory committees along the escarpment and give the local people just a little more input. Because the local people in the area, I think, probably are much more concerned about the preservation of their own particular section of the escarpment, than they are about the overall problems. And while they do worry about the escarpment in its total from Niagara to Tobermory, they do recognize some of the finer features and the features worth preserving within the areas that they're more familiar with.

I would urge the minister to proceed immediately with the establishment of those advisory committees as he has done on the parkway, in an effort to make sure that there is the kind of real, local grassroots input into the final decisions that are made with regard to the development controls.

The development controls are really the meat of the thing. The establishment of the boundary, important as that may be, will not have as much consequence or effect as the development controls as they're brought in. I think that it's in that area that we have to be much more careful about both the beneficial and detrimental effects of anything that's done here.

As I say, I have questions and, therefore, I'm not going to be perhaps as harsh on this as I might have been, given that the minister is quite prepared to have a meeting, and the meeting will make available to all of us the information that we might want. And that he has agreed to stand down the vote until after the meeting is held.

So with just those remarks, I'm eager that we proceed. There's no question that this should have been done a long time ago. There's no question that the delays that have taken place and the upsets and concerns that are felt by many people as a result of the delays have not been beneficial to the overall planning of the escarpment.

I had it brought to my attention—and I confess that I have been unable to pinpoint the source but I share it with you nevertheless—that there is a conflict developing between the OHAP programme on the one hand and the preservation of the escarpment on the other. Quite obviously, the Minister

of Housing is listening although I'm not eager that he enter the debate.

But I've been informed that there are now conflicts arising; that certain developers who hold land that would fall within the escarpment area are quite prepared to get into the OHAP programme if they'll get permission to develop their escarpment land. I warn now that that would be detrimental to the preservation of the escarpment. I urge the ministers to talk together very seriously about the areas that may well be considered by some developers as prime and lucrative for development today, that they were quite prepared to hold on to forever and forever, up until they found out the escarpment land was going to be frozen.

I don't think that we should permit any further development on the escarpment. I think that it's gone far enough. I know in my area—I know in the area of the hon. member for Hamilton Mountain (Mr. J. R. Smith)—that much of the valuable land in the escarpment has been developed. We are in the process now in Hamilton of a major battle over the putting of an expressway through and over the escarpment. And there will be tremendous pressures exerted in the next very short period of time by a number of people. I suspect they will include the minister's colleague from the Ministry of Housing. He will want to know how he's supposed to move all of those very nice residents who are going to live in this 40,000- or 50,000-person community that's going to be developed on Saltfleet mountain; how they're going to be moved from there by road down into the industrial areas of the city of Hamilton and its environs.

I know that there's going to be a major conflict develop, and if there are not strict regulations governing the uses to which any escarpment land can be put we are going to be faced with its gradual desecration because of that one clause that says you will allow compatible development. I say to you again, compatible with what? Compatible with its original state, or compatible with what you have just recently allowed?

I would like to go to the meeting on Wednesday. Thank you.

Mr. Speaker: The member for Hamilton Mountain.

Mr. J. R. Smith (Hamilton Mountain): Mr. Speaker, I would support the principle of this resolution and, indeed, I think the Niagara Escarpment Commission is to be commended for the way they have established themselves and undertaken their responsibilities.

On several occasions I have had the opportunity of communicating to the Niagara Escarpment Commission by letter or in person my concern over that portion of the escarpment directly affecting my constituency of Hamilton Mountain, a very highly developed 10-mile portion of the escarpment lying within the municipality of Hamilton. What concerns me—I should really say what disappoints me—is the fact that the Hamilton region conservation authority and the city of Hamilton have not come forward with a resolution to the commission asking that lands within their jurisdiction fall under the development control of the Niagara Escarpment Commission.

The hon. member for Wentworth has mentioned that most of the escarpment face is already developed. However, I think the fact that there are still a precious few acres left makes it that much more important that everything possible be done to preserve them.

Last year there was a meeting of the Ontario Municipal Board resulting from a decision of the Hamilton planning board that severed an open parcel of land into six residential building lots, next to what is commonly known as Sam Lawrence Park atop the Hamilton Jolley cut, on prime escarpment land. My heart bled, Mr. Speaker, when I discovered there was nothing the escarpment commission could do to block that development. The city of Hamilton is eager for development, as the mayor has mentioned on many occasions—it seems to be almost "development at any cost." Here are open lands, triple-star escarpment lands, that rank with the part of the escarpment at Niagara Falls, I would say, in importance and scenic beauty and wonder.

The hon. member for Wentworth has similarly mentioned that the matter of accesses or highways up and down the escarpment in the city of Hamilton is also of concern to many people. We visit some of the high-rise office developments and apartments in the lower city and look south and see our mountain and what has happened to it—the open-face cuts, the steel cribbing of retaining walls, and the scars left by many of these new accesses. We are going to have to come to grips when the next ones are built, particularly Highway 21, to ensure compatible development. I would say that we should be looking toward the matter of tunnelling under the mountain rather than open-cut accesses.

There are still some other very few portions—I am thinking of the A. V. Young

estate at Garth St. and Fennell Ave. on Hamilton Mountain, adjacent to the Chedoke gorge, a scenic wonder and one of the natural beauty spots on the escarpment. Undoubtedly some day a developer is going to come along and want to place something on those lands, which are right on the very edge of the escarpment.

Farther west are the Alarco properties, which also present a similar ticklish problem. Unless these can come under the control of the Niagara Escarpment Commission I am fearful as to the possible protection of these escarpment lands.

Mr. P. D. Lawlor (Lakeshore): We are all fearful.

Mr. J. R. Smith: They have to be designated for development control under the protection of the Niagara Escarpment Commission, or else the community and the people of this province really have no one to fall back on.

That is all I would like to say, Mr. Speaker. I hope that somebody can come forward from Hamilton to see that this is done.

Mr. Lawlor: Hear, hear! Good for you. Mr. Speaker?

Mr. Speaker: The hon. member for Lakeshore.

Mr. Lawlor: Mr. Speaker, I wouldn't want to pre-empt the minister, but I do have a very few words to say.

Sometimes in this House it is a little fatuous simply to rehearse history, but in the case of the Niagara Escarpment it is not. The record of your government, not of you personally—but you know it is the portion of a relatively new Treasurer, a man who assumes the vast responsibilities for municipal affairs and planning that he does, to assume the mantle with all the sins, fallacies, stupidities and ineptitudes of those who went before him—and not to perpetuate them, of course. But he has had his portion in perpetuation, too.

When Gertler, the professor from Waterloo University—Wilfrid Laurier now, bless his soul—was first appointed to this particular thing in 1967-1968, way back when, he submitted a report in which he said the whole situation was critical, that the whole escarpment stood in the balance on the brink. He said it was being covered by various forms of recreational clubs, by various forms of development in terms of industry, and by residential subdivisions, spotting themselves around the Forks of the Credit and all the way up the escarpment.

He said: "Boys, you really have to go to work quickly. You've got a very limited time in which to work." And what did the government do? They sat on it. They suppressed the report. It didn't come into our hands until almost 18 months or two years later. That was one of the most venal acts that this government has committed vis-à-vis our natural resources and vis-à-vis the recreational potential of this province into future generations. It vas vicious and we consider it a piece of real skulduggery.

The government permitted that so that its friends could continue to make incursions upon the escarpment, to rape it, to riddle it with various forms of development and to destroy both its natural beauty and its future potential for all of the people of this province into next few generations. It seemed to me an act of deliberation carried out covertly.

The history of recent date is that it's 18 months again between the publication in the Ontario Gazette and the first announcement of this matter in June, 1973. Well, it's not quite 18 months, but it's well over a year again in coming before us. The Treasurer finally is giving himself some kind of control, some kind of fortitude, some kind of way of moving into the situation. At the present time there are basically no controls. It's left to the local municipalities, and incursions can continue to be made. The Treasurer has to get down to his designated area, which I understand is 40 per cent of the total escarpment space being delineated in the legislation before us today. Once he gets to that—and only God in heaven knows at what future point in history that marvelous event will take place—then he imposes his controls. He begs for a week? Well, we ask for the time in order to take a vote with respect to the matter so that he can get on with it.

Hon. Mr. White: Hoist with his own petard.

Mr. Lawlor: The Treasurer could have brought in this legislation last March. It was all set up. Where has he been? What's been happening? What form of ineptitude is he personally subject to? I can't blame him for what his predecessors did, although that was woeful enough, but he shouldn't go adding his smidgens to the dung heap of contemporary Conservative policy with respect to recreational lands. We'd like some explanation from the Treasurer on that particular point as to how this has happened.

Another area I wish to bring to his attention is what I understand, and what my colleague understood, with respect to the Ontario Housing Corp. situation. I understand that great pressures are being brought to bear from all quarters by quarry operators and by pit developers. They're the ones who scarify the escarpment. I'm not claiming that a certain amount of gravel and aggregate material need not come from the escarpment, but they have expanded their operations of recent date with the Treasurer's consent and in cahoots with the Minister of the Environment (Mr. W. Newman). The Treasurer seems to have very little regard for the preservation of the escarpment in this regard.

Can the Treasurer tell us, when he gets on his feet, what other permissions have been granted, either with respect to the extension of existing operations or with respect to the development of new ones, since his legislation went into effect? I think there are very few new ones, but I believe that the other ones go on apace and that their effect on the total escarpment is very deleterious indeed and must be severely controlled. Nor do you make adequate legislation forfending against the preservation of the escarpment as it stands. The minister suggests several points. I hope he rises, as is his wont, and bows his head in shame over the long period taken to develop a policy. He should admit by beating on his breast in front of all this assembly, mea culpa, that in this particular area, in a grotesque form, which is very hard to put your finger on in other areas, which just hangs out, as the scars on the escarpment obviously hang out—in this area the minister has been thoroughly derelict and thoroughly retrograde with respect to his responsibilities to the people all around us.

Mr. Speaker: The hon. member for Peel South.

Mr. R. D. Kennedy (Peel South): I wanted to speak to the minister with reference to the need for the production of aggregate to meet the significant increasing demands as this prosperous province goes forward. So much depends on the production of aggregate—having it as close to the point where it is needed as is possible.

Mr. Deans: As is acceptable.

Mr. Kennedy: Pardon?

Mr. Deans: As is acceptable, not possible. It is possible to have it very close, but it may not be acceptable.

Mr. Speaker: Order please.

Mr. Kennedy: No, you can only get aggregate where it is.

Mr. Lawlor: I think the word ought to be compatible.

Mr. Kennedy: All right, compatible might be a better word. I didn't know the NDP were all in a hair-splitting mood this morning. They are spreading rock this morning.

Mr. Speaker: The hon. member for Peel South has the floor.

Mr. Lawlor: Beauty first, aggregate afterwards—not the other way round.

Mr. Kennedy: I don't have a clear understanding of the relationship between control by the municipalities and the escarpment commission. Evidently, as I understand it, the municipalities have a lot to say about this and they issue the permits.

Now, one of my questions: Is this, in the case of lands designated escarpment, superseded by the commission?

I suppose the best thing is to have the best of both worlds, because without doubt it is going to increase the cost of construction, roadbuilding, all these needs. It seems to me that we can mine the aggregate where it is as economically and as compatible as possible, restore these sites, and it will be perhaps very, very invisible that the material has ever been removed.

We can give a lot of for-instances. There is a possibility of utilizing these places when they run out as recreational areas, as artificial lakes and this type of thing. I understand, Mr. Minister, there are about 14 sites where aggregate was removed in the city of Toronto—and I would defy a person, unless he has good historical knowledge, of finding any of these. So I believe that we can have the best of both worlds. We can meet our needs, which are vital, and still restore it.

Mr. Lawlor: Has the member seen the unsightly, the really dreadful condition of many sites that have been left?

Mr. Kennedy: Oh sure, oh sure. And there is no reason why they can't be restored in some fashion or other—brought back to be reasonably acceptable to the public.

Mr. Lawlor: No reason in the world.

Mr. Kennedy: I know the position of the environmentalists. I understand this and I sympathize with them.

Mr. Lawlor: They will have to done out of the public purse now, because they left with the loot as usual.

Mr. Kennedy: Of course, I don't know how you can undo, in those instances, what has been done. If they've absconded with their loot and we can't track them down, maybe it has got to be a public project.

Mr. J. F. Foulds (Port Arthur): You can't restore the Parthenon with papier mache.

Mr. Kennedy: Okay, let's turn that into an asset. This is a question that concerns me. We've got to work between economic needs and yet meet the very legitimate desires we all have to preserve the environment. Mr. Minister, I'd like to hear the position of the commission on that point.

Mr. Speaker: Is there any other member who wishes to speak or take part in the debate before the minister?

Mr. Deans: No, it is understood that this is not necessarily the last word.

Mr. Speaker: The hon. minister.

Hon. Mr. White: I never have the last word.

Mr. Deans: But your wife isn't here.

Hon. Mr. White: Mr. Speaker, I am so very sorry that the intemperate and ill-advised remarks of the member for Lakeshore have driven from this chamber several hundred schoolchildren who were here at the beginning of his remarks, because I had hoped to be able to say to them we are putting in place one of the largest plans I suppose ever undertaken in the history of mankind.

Mr. Deans: But they weren't young enough to believe us.

Mr. Lawlor: It is the Treasurer Cheops building the pyramids.

Hon. Mr. White: We are putting in place a plan that stretches from Tobermory right down to Niagara Falls, and this will preserve forever all of the advantages of 1.3 million acres of land—

Mr. Deans: I don't believe it.

Hon. Mr. White: —which will continue to be a unique heritage for the youngsters who were here earlier, the youngsters who are indeed still behind me, their grandchildren and great-grandchildren.

Mr. Singer: The Treasurer thought of it all himself.

Hon. Mr. White: We are making no apologies for this. I have no doubt that when the Leader of the Opposition (Mr. R. F. Nixon) is padding around the countryside he's complaining once again about this great reform measure of the great Premier of this province (Mr. Davis). I have no doubt that he is attacking and undermining this measure, as he does with every other progressive measure which we bring in here.

Mr. Singer: Isn't that awful? He never learns. It's too little and too late.

Mr. Speaker: Order, please.

Hon. Mr. White: My hon. friend says it's too little and too late.

(Interjections by hon. members.

Hon. Mr. White: What would he have said if we had plunged into Gertler without adequate public communication, without adequate public participation and without an open democratic planning process? One can imagine the ranting and raving that would emanate from the NDP benches had we proceeded on that basis.

Mr. Lawlor: Oh, come on! If the government had adopted the Gertler report earlier it would have saved hundreds of thousands.

Hon. Mr. White: What did we do? I'll tell you what we did, Mr. Speaker. We took the Gertler report and we improved it by a factor of two, because we expanded the area very greatly. We came up with a better solution through the hard work of the task force and then we went beyond that. We appointed a commission of citizens drawn from every part of the area, from the four counties and the four regions.

Mr. Lawlor: Yes, the government played with them as long as it could.

Hon. Mr. White: We put a principal office in the escarpment vicinity with two sub-offices. The commission itself has mounted a campaign to involve the public to the best of its ability. They have had meetings along the length and breadth of the escarpment itself, one in Hamilton which my hon. friend apparently wasn't able to go to. When they had a meeting here I went to it, Mr. Speaker, and enjoyed it.

Mr. Deans: I'm sure he did. I happen to be much busier than he is.

Hon. Mr. White: They had a visual presentation which explained it. There was nothing but huzzas from conservation, environmental and ecological devotees in that room that night in the St. Lawrence Hall—a very suitable place it was too for this great new conservation measure.

Mr. Foulds: Nothing but what?

Hon. Mr. White: They have initiated a variety of other means of communicating, including a regular periodical which they are publishing.

I say to you, Mr. Speaker, that the length of time which has elapsed since the Gertler report was received and the implementation of these plans has been more than offset by the improvements in the plan and the acceptance of the plan, and this has involved hundreds and hundreds of people.

Mr. Lawlor: The green-eyed cow is out of the barn. This is going to cost $100 million to pick up. What a mess the Treasurer has made of it.

Hon. Mr. White: We've made no mess of it. The entire NDP benches would have some kind of paroxysm if we hadn't had the public participation which indeed we have had. And that, if I may divert for just a moment, typifies the open public planning process to which this government is dedicated.

Mr. Singer: Oh come on! The Treasurer is breaking our hearts.

Hon. Mr. White: Reference has been made to the meeting with MPPs. This idea of a resolution is rather new in this context. It's imbedded, I do believe, in the Ontario Planning Development Act, the Parkway Belt West Act and the Niagara Escarpment Act.

Mr. Singer: It was my amendment.

Hon. Mr. White: This is just the second time, as I recall, that we have had occasion to debate a resolution like this. I'm so sorry it didn't occur to me to have an audio-visual presentation to interested MPPs prior to the resolution, because they are quite right. Members are crippled, as their own remarks today have proven, in not having all of the information available to them. This will be set to right and hopefully will be done as a matter of practice in years to come.

Mr. Foulds: Widescreen production.

Hon. Mr. White: Reference has been made to the compatibility. This becomes a matter for judgement, although there will be guidelines as part of the development control procedure. There will be guidelines provided for it. It may be that some reference can be made to that on the meeting next week if the chairman of the commission is there.

There is, as I said during the debate on the bill itself, a wide spectrum of public opinion on what constitutes an appropriate degree of development. There are those in this province who would knock the escarpment down from Niagara Falls to Tobermory, if they could dig gravel or rocks and sell it for a profit, and there are people who would say, "Stop the world, stop everything, don't put a foot on the Niagara Peninsula, get off the grass, go home to Toronto."

We are trying to strike a happy balance. We want that degree of development which will enhance the Niagara Escarpment, and which will add to the total enjoyment of all of our people. We do not want to do anything that will diminish the enjoyment of the eight million people in this province now or in the years to come. So how are we going to do it? We are going to do it by putting together the wisest group of citizens we can find and we are going to let them make these determinations. I am quick to point out that it will not be made by the staff as such. It will be made by a group of wise—may we call them jurists?—who will bring their best subjective judgement to bear on each proposal that comes before them.

Claims were made that this will conflict with OHAP.

Mr. Deans: It does.

Hon. Mr. White: On the contrary. The commission is acknowledged to be in control of the areas delineated, and it is agreed that OHAP itself will have to conform to their requirements and have to receive permission from the commission as it exercises its responsibilities.

My friend from Lakeshore suggested that some of these delays have been to enable me to do favours for my friends. Now this—

Mr. Lawlor: I didn't say that about you personally. I said that the failure to move quickly at an earlier time had that effect, when Gertler's report was suppressed.

Hon. Mr. White: I wasn't involved at that time. In point of fact, knowing quite a lot about the—

Mr. Lawlor: I say that the minister is now responsible for the malfeasance of his colleagues.

Hon. Mr. White: —activities of this government, I can assure my hon. friend that that would not have been the reason for the delay.

Mr. Lawlor: I am not very much reassured.

Hon. Mr. White: Since I myself was not involved, and since the allegation apparently is not directed to me, that's about all I can say.

The question has been put, Mr. Speaker, about extensions to existing pits. I am not aware of any such extensions. I am aware that the municipalities, as my hon. friend has suggested, and the Ministry of Transportation and Communications, have been somewhat concerned at the inability to open wayside pits for roadbuilding and other public services, pointing out the greatly increased costs of hauling gravel for many, many miles into that road system.

I did sit down with the parliamentary assistant to the Minister of Transportation and Communications (Mr. Rhodes), and the chairman of the Niagara Escarpment Commissions and the officials from our two ministries and the commission itself, and we did agree that the commission should retain all of the existing powers which it has, and which have been used so conservatively. It was agreed that there would not be a blanket injunction against pits. It was agreed that each proposition from a municipality or a ministry would be examined and that a contract, or an agreement, whatever the term may be, would be entered into respecting the duration of the use, the extent of the use, and the shape in which the pit must be returned before such permission would be granted by the commission.

I think if any criticism has come on the commission, it has been not because they have been lenient in regard to pit extensions—as I say, I am not aware of any personally—but because they have been very, very strict indeed. I think this strictness can be continued and the necessary supplies of aggregate obtained through the arrangement which has been arrived at and which the commission accepted without, I can tell the House, any pressure from me.

The matter of aggregate supplies in general is going to be a more and more important problem as time goes by. My ministry now is exploring ways in which certain of these mining reserves located on the periphery of expanding cities might be exploited before houses or shops or factories were to be placed on them. It's perfectly true that if one puts, let's say, a subdivision on top of 50 ft of gravel, that gravel is lost forever, whereas as the very distinguished member for Peel South says, if we are able to remove the gravel and save the top soil, then we can have both the aggregate and later the park or the subdivision of whatever is desirable, so we are giving some thought to that, I think perhaps for the first time.

An hon. member: Good thinking.

Hon. Mr. White: At any rate, we are working on that currently. Mr. Speaker, this was debated in principle last spring. We have now had an opportunity to review some of the advantages of this great new undertaking. I won't be here next Wednesday or Thursday because I am visiting near Tel Aviv.

Mr. Singer: The minister is going, too, eh?

Mrs. M. Campbell (St. George): Everybody is going.

Hon. Mr. White: So I would only hope that the meeting might go ahead in a constructive way and that the vote might take place on Thursday, unless there are compelling reasons not to, in order to enable the commission itself to conclude the development control aspects which we have talked about and which are contingent upon this resolution being passed.

Mr. A. J. Roy (Ottawa East): He should spend more time in Ontario.

Mr. Lawlor: Is he going to make the desert bloom?

Hon. Mr. White: Sir, 50 years from now when I am rocking on my verandah with my old friend Lawlor and a glass of white wine in my hand, I will say "Do you remember Nov. 8, Patrick? Do you remember the day we saved 1,300,000 acres of land for the youngsters in this gallery and their grandchildren in perpetuity?"

Mr. Singer: They are walking out on the Treasurer.

Mr. Lawlor: "And the day we blew it by spot development?"

Mr. Speaker: Order, please.

Hon. Mr. White moves the adjournment of the debate subject to the understanding which was reached earlier. Shall this motion carry?

Motion agreed to.

An hon. member: Shall we vote that the Treasurer not come back?

Mr. Roy: The Treasurer will be saying, "Nov. 7—the beginning of the end."

Clerk of the House: The 29th order, House in committee of supply.

ESTIMATES, MINISTRY OF EDUCATION
(continued)

On vote 2702:

Mr. Chairman: Vote 2702, item 2. The hon. member for Ottawa East.

Mr. A. J. Roy (Ottawa East): Thank you, Mr. Chairman. I would just like to say to the minister a few words pertaining to the question of curriculum development, and about the question of French language education, especially for our English-speaking students, and then the question of French schools for our French-speaking minorities in this province.

Hon. T. L. Wells (Minister of Education): You can read my answers from yesterday. I said it all yesterday.

Mr. Roy: Just hang on; you and I have a little dialogue. What I want to say to the minister—

Hon. Mr. Wells: I hope you have read my answers from yesterday.

Mr. Roy: I was in Carleton East; I had no time. I am sorry.

Hon. Mr. Wells: You were elected to work here.

Mr. Roy: I guess you should have bad feelings about that.

Mr. Chairman: Order please. May we return to the estimates?

Mr. Roy: It was nice to see you here, because we haven't seen you here very often in the past.

Hon. Mr. Wells: I am here all the time.

Mr. Roy: First of all, I want to be nice to the minister to congratulate you about certain things that have gone on, since we had our last discussion on your estimates, on the question of teachers and on the question of education in this province.

What I want to say to the minister, and I wish that this would be conveyed to the Premier (Mr. Davis), concerns the ministers response, and I have had occasion to read some columns by Mr. Webster in the newspaper about your feelings about French education in this province. I want to congratulate you, along with members of your government, on your restraint or your sense of fair play and understanding in relation to Bill 22 in Quebec.

To my knowledge there has only been one minister who has made what I consider to be gratuitous comments pertaining to that bill. As you know, Mr. Chairman, the bill affects the question of education in Quebec, and certainly there is a question of a backlash in this province. The only member is the member for Ottawa South, the Minister of Industry and Tourism (Mr. Bennett) who made the gratuitous comment one day that companies were moving out of Quebec and coming in here.

I will leave it on that point, and say to the minister and to his leader, I thought your restraint and your understanding in these circumstances is to be congratulated, because if there's anything we don't need in this province it is to try and stir up a backlash against something like this, especially by people who very often haven't even taken the time to read Bill 22 and to see what Bill 22 says. I'll say this to the minister, the minorities in this province would very gladly live with a Bill 22 in Ontario here, because under that bill there are guarantees which are not given in this province.

In closing on this point, just on the question of Bill 22, I want to say to you that your restraint and your approach, and the response to the Province of Quebec, as compared, for instance, to Hatfield, who is presently involved in the election in New Brunswick—I thought he got into something that he shouldn't have by asking the Prime Minister of this country to appeal the decision of Bill 22, without having read the bill. I think your approach helps Confederation here: it helps the understanding between the linguistic groups in this province.

Hon. Mr. Wells: I am happy to hear you say this.

Mr. Roy: As you know, I call them as I see them. I felt that your restraint and that of the Premier of this province, was admirable; not wanting to get involved in something which really is hard to discuss on a logical basis, because people get worked up, people are making decisions based not on logic very often but on tradition and on

things that really have no place in a country and the Confederation like we have here.

If I may move on to the question of French-language education, I am aware of the commission that has looked into this question of French-language education and I am aware of some of its recommendations. I would like to ask the minister when he intends to start implementing some of the recommendations.

What I do want to criticize the minister and the government for is having gone into the question of another commission, of having put this matter off when in early 1972 Tom Symons, the man who looked into the question of French-language education in this province, had an eloquent paragraph on French language education for English-speaking students. And, Mr. Chairman, what he said, was, I thought, a telling indictment on our approach to this subject in this province. He said we were trying to teach French like it was a dead language or Latin. Second, were were using teachers who had no experience in this field; or, in fact, English-speaking teachers trying to teach French. As much enthusiasm as they might have had, they were just not capable of doing it.

And he says that in spite of this, the element of co-operation in this province is still something that's really fantastic. Because, really, why the students were not turned off any more than they were is something that is extremely surprising.

And so Symons said this in 1972. It took you nearly a full year after asking—and I've repeated this in the House on many occasions —"What are you doing to implement some of his recommendations?" You set up a commission. Now, the commission has looked into this problem and has come up with some recommendations. Of course, the question is: When can we see some of these recommendations adopted?

Now, I fully realize that you can't go holus-bolus. There's a question of politics involved in this; there's a question of the possible. I agree with your point of view, for instance, when you state that if we start making the French language compulsory across this province, you're going to have a backlash, because people are going to say we're trying to force it down their throats.

What I do criticize you for is not having taken the initiative to make it more palatable for the English-speaking students. Because I think every student in this province, Mr. Chairman, should be given an opportunity of learning a second language. And I could never understand—I can't to this day understand—why there's ill feeling about this particular subject.

You go to Europe and everybody in Europe seems to be able to talk two or three different languages, and he's proud of doing so. It's communication.

For instance, the Queen and the people of importance that we look up to in this province, naturally speak the two official languages. And yet here in this province—not only in this province; I come from the west and I know something of the backlash there—when you offer people a second language, they seem to think you're trying to force it down their throats. Instead of grasping an opportunity to accept a second language, they seem to rebel against it. Maybe we should be offering them a second language other than French, I don't know. But I get the feeling you would get the same backlash with another language.

The steps that we must take, Mr. Chairman, are those of incentive. And I wonder why the minister didn't offer incentives quite some time ago, for instance, to school boards and say: "If you teach the second language at such and such a grade, then you get extra grants." You make it palatable in that fashion. It seems to me that should have been done some time ago.

We've known the problem. What I don't forgive you for and what I criticize you for is having waited—again, having set up another commission which was going to tell us something we all knew. Anyone with a bit of common sense knows that the teaching of French to English-speaking students in this province was not adequate, and that the results were poor indeed.

In fact, Mr. Chairman, this was compounded by the government's approach when they said all subjects were optional, including English, including Canadian history, including some of these major subjects. This was unforgivable. I think this ministry should be severely criticized for having taken that approach, because we saw it. We heard the teachers talking about it, we heard the parents talking about it—that it was not working. And that is not the way, I suggest, Mr. Chairman, to encourage students to take on a second language.

I'm saying, Mr. Chairman, that this province and this government have not done enough to encourage the learning, the teaching and—if I may say the French word—the épanouissement of French language education in this province. It may well be that in some areas of this province you want to encourage

the teaching of another language. A language, for instance, like Italian in some areas. But we haven't done so. We haven't given incentives. We haven't really worked on the question of historical culture of individuals—in fact, the reverse has happened.

And so, my question to the minister is: When can we expect to see the type of approach I'm suggesting to you? If you make it compulsory, I've got a feeling that it will not get across, that people will rebel against it. But try it on the incentive basis, as I was suggesting. In fact, I think, that's something that you mentioned to Norm Webster and on which he wrote, about being very careful to do the possible; that you can't start laying down the law on this. But you haven't done it. And you've known that the problem has existed since the time that you've been minister. I suggest to you that you've shown something that was less than initiative or enthusiasm in this field. I'm saying to you that we've got to remedy here the problem of the last 75 years, because it is getting crucial.

I was talking earlier about Bill 22. The purpose of Bill 22 in my opinion, was something that really cut the feet from under the separatists. The best argument against the separatists is to see that the minorities in this province, because this is a key province, are really able to live and are able to grow in their own culture and that their culture remain strong in this province.

The separatist argument, Mr. Chairman, is extremely simple. It says that French-Canadians cannot live and cannot operate outside the Province of Quebec. The best evidence that they can is Ontario, but if we don't encourage our minorities, if we don't allow our English-speaking students to learn a second language or the French culture until they are fully assimilated or they become a pocket just in the Ottawa area, then we have lost the battle, and the separatists are right.

I think there is a duty on the key province, Mr. Chairman, to look at that question. I suggest to you that the minister should get on to doing something now, as we have been suggesting for the last three years.

The other problem I am a little concerned about is the question of the French-language schools and the French-speaking students. We have gone a long way. We have established a whole series of schools across the province since 1968. In some areas there is no problem. There was a spirit of co-operation, for instance, in Ottawa, in the Sudbury area and other areas of the north, but we have done the easy places. What we have done in a spirit of co-operation is now over. You know as well as I do that the crunch comes when you try to do the same thing in areas where there is a small less vocal group, in the area of Toronto or London or Windsor. We have had problems even in areas such as Cornwall, Elliot Lake, Sturgeon Falls and other areas of this province.

I feel that this is where the minister again has lacked leadership in this field. Symons had proposed certain alternatives on how to go about implementing this. When school boards and French-language commissions were at loggerheads we have had divided communities. It is unforgivable, for instance, in a community like Cornwall, which has been able to exist in peace and harmony and understanding between these two cultural groups, that we let a situation like that deteriorate to a point where even now—

Hon. Mr. Wells: We didn't.

Mr. Roy: You did because you waited. You knew that the problem was coming and you waited until the bitter end before you sent Symons down there. You should have looked at that situation before. You have other examples of where it is happening in other areas of this province right now.

Hon. Mr. Wells: What about local autonomy in schools?

Mr. Roy: Local autonomy, yes, but when you see that on school boards you have certain radicals who have no understanding at all, then it is up to this province and you, as Minister of Education, to give leadership in this field. That is where you have failed.

Hon. Mr. Wells: You can't have them both.

Mr. Roy: There was the situation in Sturgeon Falls. Had it not been for the 1971 election, I suppose we would still be having a problem there. The 1971 election was coming along and that's when Symons went there. Sometimes you are playing politics with that issue.

Hon. Mr. Wells: Never. The only person who plays politics with it is you.

Mr. Roy: I don't play politics with the issue, because I am suggesting understanding and I am suggesting that you have lacked leadership.

Hon. Mr. Wells: I am suggesting understanding. You lack understanding.

Mr. Roy: You lack leadership in this field and I have told you that before. You have

now set up what is called the Languages of Instruction Commission, the commission that is supposed to decide when you have a problem between a French-language commission and a school board. I told you at the time when you set up this commission that you should give this commission decision-making powers. You said, "No, they don't need decision-making powers. We are going to have important people on this, people with status, and these people are going to be able to mediate the situation."

Well, what happens? In the first conflict that you had since the commission has come up, the commission has suggested an alternative and the school board has turned it down. You have the problem in your lap again. That is why we suggested it, because the minute it falls in your lap you seem to fall asleep. You let it drag and the problem festers and so on.

Hon. Mr. Wells: What would you do?

Mr. Roy: What would I do? I would have given that commission, as I suggested to you in the debate, the right to make a decision on behalf of the government.

Hon. Mr. Wells: And what would you do in this particular case?

Mr. Roy: In this case, the commission would have made a decision and then the decision is implemented with the assistance of your ministry.

Hon. Mr. Wells: What would you do?

Mr. Roy: I told you. I don't know how often I have to tell you. I've got difficulty getting through to you. I said this commission should have decision-making powers. That's what I said.

Hon. Mr. Wells: But in this instance, after the vote in Essex, would you force the board to build the school?

Mr. Roy: If you had given the commission the right to make a decision—

Hon. Mr. Wells: Would you force the board?

Mr. Roy: Just hang on. You'll get a chance to reply to this.

Hon. Mr. Wells: Oh no. Just answer the question.

Mr. Roy: I've answered your question. I said to you a year ago, when you set up this commission—

Mr. J. F. Foulds (Port Arthur): You're wasting your time. He already answered it last night.

Mr. Roy: That's okay. You use up plenty of time in this House.

Mr. Foulds: Not on these estimates, we haven't. We did have an agreement.

Mr. I. Deans (Wentworth): We've only got eight hours.

Mr. Roy: Only eight hours?

Mr. B. Newman (Windsor - Walkerville): We've got 10 hours in all.

Mr. Roy: Mr. Chairman, I told the minister when he set up this commission that the fact that they were only going to have power to mediate was not good enough. In fact, Symons had suggested that they have decision-making powers. That's why you've got the problem in your lap again. All you did was just set up another level where the decision could be stalled—it's stalled in the commission, it's stalled in your lap and it's stalled in cabinet.

I'm suggesting to you that you bring in legislation giving decision-making power to the commission. You've got capable individuals on the commission. You've got people with a certain amount of understanding. Why not allow them to make a decision on a question like that, instead of you, because it gets to be a political hot potato when it's in your hands?

Hon. Mr. Wells: They made the decision.

Mr. Roy: Yes, but it's not binding.

Hon. Mr. Wells: That's all I'm asking: Would you make that decision?

Mr. Roy: You bet I would. I told you that a year ago in the debates, didn't I? I told you a year ago I would do it. So I'm suggesting to you—

Hon. Mr. Wells: All I want you to say is that you would make it binding on the Essex school board.

Mr. Roy: Yes, I would. I'm not saying anything new. I said it at the time of the debate.

But you're having other problems. I think you're going to have problems in Windsor and other areas of the province. I don't have a list here—don't you have a problem in London right now? I was reading in June about a problem in London.

What is happening is you're making it exceedingly difficult for a minority that is not all that vocal to get a school it is entitled to. When you get a school board with what I call the far right red-necks—and I have as much distaste for them, I suppose, as I have for the red-necks who are separatists—when you have some of these people on it, you've got to make a decision for them, because these people, by stalling a decision and by taking the position they have, are really splitting up the community.

I would like to have your comments on this. Why didn't you give the commission binding powers? Secondly, what are your thoughts about French-language education for English-speaking students in this province?

Hon. Mr. Wells: Mr. Chairman, I would like to reply at length, but we do have a time constraint on the programme.

Mr. R. Haggerty (Welland South): Come on, tell us.

Hon. Mr. Wells: We talked quite considerably about this matter last night, and my friends from the other party and your colleagues all talked about it. I gave a lot of answers, and all I'm getting to say is that this government is dedicated to the principle of a French-language school system in this province and the teaching of French as a second language.

My friends and I thank him for his remarks about Bill 22, commended us for our restraint in that particular area. I hope that he will exercise the same kind of restraint in this whole question—

Mr. Roy: I have. I have.

Hon. Mr. Wells: —realizing that the same kind of things that would pertain to Bill 22, say, pertain to this whole problem in this province. Nobody has done more in any province in Canada than this government, and I read last night a quote from Keith Spicer, who said: "Pretty dramatic progress has been made during the past 10 years with bilingualism in Ontario."

Mr. Roy: You're right, but you have got so much more to do.

Hon. Mr. Wells: He said: "The climate has become much more civilized. Progress in other provinces, however, has been less dramatic." The increase in our French-language educational system has been dramatic—from 11,000 to 28,000 students. We are making progress. The Languages of Instruction Commission has been set up. They're dealing with a number of problems. They're trying to bring understanding and mediation to play. My friend knows why we didn't make their decisions binding on boards. This type of thing is not just relevant in the French-language area, but it strikes at a very basic principle of whether you should have another body, an non-elected outside body, having and ultimate decision to override an elected body and cause them, in some cases, to have to raise taxes and spend money. It's a very basic principle and it's one which you cannot move on quickly.

I think I gave assurances in this House that we would try the Languages of Instruction Commission as it is and give it a chance to work for a year or so. Then we can review the situation and see if changes are needed, and if changes are needed, I'll be the first one to come here and suggest it. But, as I say, the kind of change that would be necessary involves a very basic principle, and that is, a non-elected body making a decision that overrides the decision of the local school board.

Mr. Roy: You did it when you passed the legislation in 1968 for French-language schools. I mean you have got to do it too.

Hon. Mr. Wells: No, no we haven't. You could have in all kinds of cases. We talked about it last night, about the cases of schools that have been closed by school boards. After much discussion and many meetings a school board decides to close a school. Should that decision be appealed to another body who could come along and say: "We've listened to both sides and we don't think that school should be closed"?

Mr. Roy: That is not the same thing.

Hon. Mr. Wells: It is the same thing, because you are upsetting the decision of a local board.

Mr. Roy: You are taking a commission, which is making a decision consistent with the policy of your government toward bilingualism; that is what you are doing.

Hon. Mr. Wells: Yes, but all I'm asking my friend to exercise is a little restraint, realizing—

Mr. Roy: I have.

Hon. Mr. Wells:—I think, that if people all over this province exercised restraint and understanding we can make even greater progress. We've made great progress now, but

you can't get some of these things through brute force.

Mr. Roy: I told you that.

Hon. Mr. Wells: I think that the long-term health of a society in any community is going come about through solving these problems through mediation and working together. That's what we have to work toward. I explained what was happening in the Essex situation and I'm very confident that the proper resolution of that problem will come about.

My friend asked about incentives. Of course the complete Gillin report is being studied. A few years ago this government embarked on a programme, a curriculum guideline and an admonition to school boards to offer French to English students in the elementary schools. Many, many schools—in fact, I guess 95 per cent of the schools of this province—have programmes teaching French as a second-language as a subject.

The problem was—and again we went into this last night—it either wasn't being done properly or it wasn't being done well. That's the reason the Gillin commission was set up.

Mr. Roy: We have known that for 50 years.

Hon. Mr. Wells: No you haven't known it for 50 years.

Mr. Roy: We have. Look at the results of our students. That is obvious.

Hon. Mr. Wells: You haven't known it. Ontario didn't embark upon this programme until about five or six years ago.

Mr. Roy: We have been trying to teach French for 50 years.

Hon. Mr. Wells: Oh no, we have had French as an academic subject in the secondary schools. We haven't had the kind of programme that was put into the elementary schools. It was put into the elementary schools five or six years ago and school boards energetically and enthusiastically accepted it—perhaps with too much enthusiasm, since the programmes were not probably as good as they could have been. They were all well meaning and they had teachers teaching them, but there is a shortage of good teachers in this area. That's why the Gillin commission came along, because we said "Look, it is obviously not being done well enough. Let's find out ways that it can be done."

As your friend from St. George (Mrs. Campbell) said, immersion programmes is another area that needs to be moved ahead with, and not just 20 minutes a day for those students who want them. Boards are doing it now, but we've got to encourage more of that, I spoke about what I thought should be done in that area last night.

In your own particular area we are funding massive research projects into ways that we can enrich the programme and develop immersion programmes and so forth. We've got $2 million from the federal government for the last two years which has been given to the four boards in the capital area. This year the feds decided they would give up half the amount. I couldn't persuade them to give us the full $2 million for the third year of the programme, but we're matching that for the Ottawa area. So really, my friend is getting some extra grants in his area that nobody else in the province is getting to help develop programmes in this particular area.

Mr. Roy: Because it is pilot; that is just leadership that is coming.

Hon. Mr. Wells: It's pilot, it is a leadership, but there is still $2 million to the four school boards down there that no one else in the province is getting.

Mr. Roy: What better area to experiment in?

Hon. Mr. Wells: Out of the research connected with those particular projects will come guidelines for other boards and guidelines for us as to what kind of incentives, financial or otherwise, need to be offered to boards across this province to move ahead in these particular areas. The research reports from the Ottawa projects will be very important also. They will be helpful to other boards. So I think, rather than going into it in any greater detail, I just want to say that I appreciate your comments but I think that you don't realize the great strides that we have made in this area. I'm not saying that we are going to rest on our laurels; I'm just saying, as I said in my opening remarks yesterday, that we are dedicated to progress in this area—this is in this particular area of French teaching French to anglophones and in our French-language school system; that is, the school system for francophones—because we feel that Ontario as Quebec's neighbour has to move ahead in this area and that through moving ahead we do something for Canadian unity.

Mr. Roy: Can I just make one comment, Mr. Chairman, to the minister? The first point I want to make to you is that I thought I had shown restraint in this field. I've suggested

ways which, in my opinion can improve it. I've said to you repeatedly that you are not moving fast enough, and really I think that you are not. As much respect as I have for the Gillin commission, I don't think it's news to anyone in this province that there has been something lacking in the question of French-language education for English-speaking students. We've known that. Symons said something should be done about it right now, but you waited a year even before naming the commission. Am I being a radical for saying that? Well, what were you doing then in the period of a year?

Hon. Mr. Wells: You are missing the point—the Gillin commission wasn't to tell us that, it was to tell us how we could improve the programmes. The Gillin commission is an expert body, not a body of laymen. It's really a body of people all of whom are experts in the teaching of French as a second language or francophone educators. We all agreed that it was necessary and that we wanted to teach French as a second language, but we wanted to examine what's wrong with the programme and how it can be improved. And that's what they have done.

Mr. Roy: Well, why did it take you a year to set it up? That's what I don't understand. Tom Symons said in his report—

Hon. Mr. Wells: Tom Symons offered a small paragraph about setting up a study group about bilingual education.

Mr. Roy: Right. It took you a year.

Hon. Mr. Wells: In the interval I was very concerned and busy with implementing all the rest of his recommendations—which have been implemented.

Mr. Roy: Well, it took you a while to do that as well. I am convinced that the approach taken by myself and this party is certainly not a radical one, because we feel that radical approaches only tend to cause radical reactions at the other end. But surely one must take a responsible approach, and I am saying to you that you vacillated far too long on some of the recommendations of Symons, for instance, in his report and you took too long when he suggested that something should be looked into on the question of French-language education for English-speaking students. I quite appreciate that it was necessary to find out how you could improve his recommendations through the Gillin commission. The thing I don't forgive you for is having waited a year. If that is being a radical, so be it.

Mr. Chairman: Shall item 2 carry?

Mr. Deans: No. Last night when you said that very same thing I got to my feet, and now at last I've got the floor. I'm only going to be a few minutes.

Mr. Roy: Sorry about that.

Mr. Deans: No, it is quite all right. I enjoyed listening to you, in fact.

I don't speak French. I wish I did, and because I wish I did I wish that my children would learn it. I wish somehow or other that we could separate out the teaching of French from politics. I wish we could get away from the divisiveness that always seems to flow into the discussion when we talk about the need to teach a second language, French in particular, because right away all of the inbred—maybe not inbred—but right away all of the concerns, I suppose some of them perhaps legitimate, of a great many people rise to the surface and you create a lot of problems.

I'm not sure how it can be done, but I wish somehow or other we could get it out of the political arena and make the teaching of French, as a language rather than as a subject, a much more routine thing within the educational system, because I am convinced that aside from what it would do for national unity, which is obviously important, its value in terms of education is just absolutely top-notch.

Mr. Roy: You should go to Europe.

Mr. Deans: As I was saying to my colleague, I've often wondered how you teach French. I took a total-immersion French course once; I failed miserably. I have trouble enough with English, let alone French. I am going to take another one, but I was just thinking about it—maybe what you've got to do is teach history in French, starting in the kindergartens.

Anyway, I want to talk about another matter. That wasn't what I rose to speak about but it is of concern to me. I want to just go back for five minutes to the community-school discussion that was being conducted last evening. I want to put to the minister a situation that is arising in Hamilton that I think is of tremendous value and to ask him for his consideration of it.

As he is probably aware, both of the boards—the separate school board and the public school board—have endorsed a concept in Hamilton to develop one community school to serve both boards. It's in an area that is

fairly evenly split with regard to supporters of the two boards. My wife being interested in this, and being on the public board, raised the matter. And to our surprise, I have got to confess, we discovered that there was a lot of support for this in both boards, and that each board unanimously agreed that they should proceed with it.

But it is going to create problems; there is no doubt about it. As it's developed in the community sense, as we involve the other agencies in the development of this community school, and as we try to involve both boards in making sure that what they consider to be their unique form of education is maintained while using the same facility and taking advantage of facilities that are common, there will be difficulties that will arise over the interpretations of educational grants, over the interpretations of what is allowed within the Act.

The one thing that comes most quickly to mind is, of course, that the public board would be allowed to have shop apparatus—technical type machinery and the like—for educational purposes at the senior elementary level, while there is no provision within the separate board for a similar thing to be made available. That is my understanding, and it may be wrong. But anyway, there are going to be complex things occur which will require a bending of the law.

I think that this is a very worthwhile project. I think it's a tremendous step forward. Just the very fact that they are prepared to try it is very valuable to the entire community.

One other matter that will no doubt arise will be the ownership of the land; how the land will be vested to ensure that there is joint access to it. It may require a new law to be drafted in order that some separate body can be set up in which the land will be vested, in order that the boards will have access without feeling, somehow or other, one subservient to the other.

What I am really saying to you is this, very briefly, that I urge you and the ministry to monitor the debate in Hamilton very closely, to take part in it wherever you can, to be prepared to make adjustments in the normal procedures wherever that is required, to change the law, even if only by special legislation governing this particular project—if need be—in order that we can see clearly whether or not this concept that is supported so widely throughout the community will work. Because if it will work, it offers a tremendous range of opportunities for co-operation and for enlarging the system in its totality, recognizing again the two streams of education.

It may, in fact, do what I said about the teaching of the French language. It may somehow or other take the whole matter of this educational squabble, which inevitably occurs, out of the political arena and take it into community where they can involve themselves directly in the development of something that will meet their aims and objectives.

I think it's a tremendous project and I think it has a fantastic potential. I really do urge you, as the debate carries on, that you take part in it and that you try to find ways to accommodate it within the ministry's guidelines so that it can, in fact, reach fruition and we can see that school and see it work. And maybe it's a new era, the dawning of a new era; I hope it is.

Hon. Mr. Wells: We'll watch it very closely. I am not familiar with the project, but it sounds like a prime and excellent example of sharing of school facilities, joint development, joint use—and in a total community school sense that both boards will enjoy. And, certainly, I can only endorse the whole project if both the Hamilton boards are able to carry this through.

Mr. Deans: It will require a lot of co-operation.

Hon. Mr. Wells: As my friend knows, we have had a lot of discussion with Hamilton boards about both the Hamilton and the Hamilton-Wentworth separate schools boards sharing facilities and using classroom spaces—and they all haven't had as happy endings as, perhaps, this one will have.

Mr. Chairman: The member for St. George.

Mrs. M. Campbell (St. George): I will be brief, Mr. Chairman. In the matter of this vote, is there any money available for the production of decent resource material for the teaching of Canadian history? I asked about it the last time we had the estimates; I am still asking. Is there anywhere here money available to assist the talented people of this province in producing decent resource material?

Hon. Mr. Wells: Of course it is not the function of the ministry to produce the learning materials.

Mrs. Campbell: You are going to have to, Mr. Minister.

Hon. Mr. Wells: We assume that the publishes and the various people like OISE and so forth will develop the materials. Once we set the curriculum guidelines, which we do, and indicate the kind of things that should be taught, then the people who develop the material usually come along. This could be part of the much larger problem, which is the whole question about the development of Canadian textbooks and Canadian learning materials.

We have money in this budget, $500,000, for a learning materials development fund which we said we would talk about with the publishers of this province, the book publishers particularly, and to this particular point in time, we are stymied in our discussions. We have had discussions with them. They want specific designated grants to school boards given for books so that they can then buy the books, whereas we have said we don't do that any more. We give one general grant and the school board decides what their priorities are and how much they will spent on each area. Discussions are still going on.

But there is money in here for a learning materials development fund which could be used to develop materials along the lines of those the member has mentioned. We have given some assurances to publishers that we will try to work out some ground rules for this with them. The whole project stands at the discussion stage only at the minute.

Mrs. Campbell: Mr. Chairman, all I wanted to point out is that I am sure the minister is aware of the fact that the pressures on school boards and on individual schools to cut back have almost necessitated their purchasing American books for the schools, because they are cheaper. This is one of the ways in which we are thwarting the development of our children's knowledge of this nation and of their heritage. I would be very happy if the minister could keep us posted on any development to help to encourage this trend.

Hon. Mr. Wells: I would be most happy to keep you posted. I just don't want to let that go by that they are buying American books because I don't think that's quite right. Ninety-two per cent of the books on Circular 14, which are the textbooks for use in the school, are Canadian. They are Canadian-authored and Canadian-produced. I would suspect in the area of history and Canadian studies there are no textbooks being used that are American.

Mrs. Campbell: I don't think they are using anything at all.

Hon. Mr. Wells: I think there are books available. In fact, I am sure there are books available. I often hear this idea that there is a lot of American books being bought, but yet when you go around the schools you find this just isn't so—not in the textbook field. In the other area of resource books, schools are free to buy whatever they wish. They don't have to be on Circular 14 or anything. In the area of Canadian studies and Canadian history, I can't think there are any American books available that would be useful to a school.

Mrs. Campbell: That's what I mean. They can't use anything at all.

Hon. Mr. Wells: There are books available and the publishers, I am sure, are working on others, particularly since the advent of our new policy of having two credits in Canadian studies. There is a whole new raft of activity going on in this particular area now.

Mr. Chairman: The member for Sudbury East.

Mr. E. W. Martel (Sudbury East): What I was going to ask the minister was why it is that in the public and separate school system the Act prevents that system from educating the educably mentally retarded. It seems to me that, unless this becomes a two-way street, one inevitably continues the type of problem that we are always confronted with, and that's the exchange facilities and so on. I am a great believer in the concept that there has to be a good deal more sharing. I can recall when I was teaching that I had pretty well convinced the public school staff and my own staff that we should try to get our two boards together to develop a shop in the small community I taught in. Unfortunately, when we took it to both school boards it was shot down. I think there has to be greater effort made.

The same thing applies, of course, to special education for these kids. In the Sudbury area, the separate school system is by far the larger of the two systems, and yet the separate school system cannot educate that group. They can purchase the service, providing it's offered by the board of education. You are never going to get the type of co-operation that is necessary when one side feels that the deck is stacked, if I can use that term. It just doesn't work; nowhere do

you get co-operation if one side feels that it is being discriminated against.

I would like to ask the minister whether the ministry intends to remove that bit of discrimination. Of course, there is another bit of discrimination that has always bothered me. When the hon. member now the Minister for Energy (Mr. McKeough), was Minister of Municipal Affairs, one night in committee he was agreeable to remove that other problem that really caused heartache in my part of the world, because there are many mixed marriages in northern Ontario; probably more so than here, I don't know. I have never looked at the statistics.

In Ontario, if the husband is the Catholic, his taxes can be directed to the separate school and his children can be educated in the separate school. If the wife is the Catholic in the marriage, they can't direct their taxes to the separate school. That is straight —I don't want to use a term that is offensive to anyone—that's out of character. This is the 20th century. Surely to God we should be able to have, in Ontario, a minor amendment—which is permissive, first of all, and merely permissive—which allows that in the event of a mixed marriage, if the wife is the Catholic and the husband is the non-Catholic, they can send their children to the separate school.

I know there are gimmicks to get around it and I don't like the gimmicks. I had a constituent phone a week ago and he said to me: "Look, I am not going to put down that I'm a Catholic. I don't care if my kids go to separate school, but I will not say I'm a Catholic." I don't blame him; I don't blame him one jot. On the other hand, you could say, "Well, she could rent the house." That's a lot of nonsense too. Why is it impossible —and people have been asking this—that there be permissive legislation where there are mixed marriages, which allows either one of the spouses to support the separate school or the public school, whichever system they want their children to attend? It works in reverse, so why the discrimination?

Hon. Mr. Wells: First of all, in the matter of the education of the retarded, there is not discrimination; that is not the proper term to use at all. You have to study the history that has happened over the past few years.

The education of the retarded was carried on in the community by the associations for the retarded until not so many years ago, and they developed their own schools. Then, through meetings with the government and various arrangements, financial help was given to those schools run by the association for the retarded as their schools for all the retarded in the community. As a further step forward, a few years ago it was decided to bring those schools into the whole school system and recognize a whole new principle—not discrimination, but a very wide open, compassionate view of this whole problem. At that time, the decision was made to bring them in because of the cost of the programmes, because most of the schools didn't have many students anyway, and because they had been organized especially to take care of the number of students that were in them in each community.

The decision to move them into the public school system in those particular communities was not made with any thought of discriminating against anyone, but merely with the major and uppermost thought in everyone's minds of continuing to provide their programmes and to provide even better programmes for those retarded children. That's really the situation we're in now. We do recognize that those programmes are costly and we provide 1½ times the secondary school ceiling for the retarded students in the system.

In the last year or two, the Roman Catholic separate school boards have asked if they couldn't become part of that programme and offer their own courses. I explained to them what had happened and that up until now we haven't made any change. But I've told them we're willing to look at it. We'll have to look at it in the light of our whole approach to children with learning difficulties in terms of special education, education of the retarded and so on. The whole programme is being looked upon as one that schools should offer for all children in the community.

There's been a changing emphasis in the past few years. No longer is it just educable, but educable and trainable in the retarded and in all the other areas where children have other handicaps. This all will be looked at in due course. I'm sure the best thing will be done to be sure that the education of these people is carried on properly. That's the main thing that we want to be sure happens.

In the other situation, I haven't got all the legal documents here. This thing has been tied up in different court cases. We have to accept the basic premise that you cannot support the separate school system if you are not a Roman Catholic. That's a basic premise, and no one wants to change that. In other words, even though the separate school system will accept non-Roman Catho-

lics as students, they can then charge them; but their parents cannot assign their taxes to support the separate school system, even if their children go there. That was one of the basic assumptions that came even before Confederation—in the Scott Act, I believe—and I don't think the separate school people want us to change that.

Mr. Martel: No one is asking them to do that.

Hon. Mr. Wells: The problem then is, what if the husband is not a Roman Catholic and the wife is a Roman Catholic? How can you get around her assigning some support to the school system? At the present time, I gather it's not been able to be solved. I'm not sure that it can be solved by a simple amendment because there may be some other principles in law tied up in that. I'm not a lawyer, and that's the only explanation I've had given to me.

Mr. Martel: That's the trouble, though. But let me go back to the first point: I agree with the minister. My only point in connection with all of these exchange programmes is that I see a great possibility in the teaching system of sharing special teachers, particularly in outlying areas where you see the specialists criss-crossing each other, rather than going into designated schools.

I have the hope that some day, instead of running an art teacher or a specialist from Capreol to Levack to serve the two separate schools there, one teacher from the public schools system might handle the community of Capreol and go into both schools, and the same in reverse in Levack. My concern is, though, that that will never occur as long as one side feels it's working from a disadvantage. That's why I raised the matter of the separate schools and the educable retarded, because they see that in terms of being at a disadvantage. I would hate to see us, as widespread, try to duplicate it. The same with the deaf. And as the minister knows, I have written frequently on the school for the deaf in the Sudbury area. I would hate to see us start a whole variety of very costly programmes, which is a duplication in many instances.

But I think until the day comes that they feel totally equal, a feeling of sharing and co-operation doesn't have a chance. Because you can't work from a disadvantage all the time, or think you are doing so. It might just be in the mind—it might not be there at all—but nonetheless.

The second point: I have been talking to minister after minister about this situation with respect to the husband, and I get the same answer. I want to know: What studies have been done and what actions have been taken by the government of Ontario to determine what, in fact, they have to do to allow, in the event of a mixed marriage, if the husband happens to be the non-Catholic, and they want the children to be educated in the separate school, to make that permissive legislation? What have you really done over the years? I have raised this with minister after minister—your predecessor in that position and from municipal affairs. What have you done in a tangible way to see what has to be done in order to make that change possible?

Hon. Mr. Wells: As I understand it, the studies that have been done show that the way that this can be accompished is for the wife to lease the property. It is a very simple procedure that can be carried out, and it then doesn't violate some of the other premises in law that might be violated if you accepted the other premise. That's the only thing I have been told every time I have asked about this question. It is being done and it can be done very simply that way, and it achieves the purpose that most people need.

Mr. Martel: But it leaves a resentment there.

Mr. Chairman: The hon. member for Port Arthur.

Mr. Foulds: Surely it is not beyond the scope of the lawmakers in the province that where both parties mutually agree to direct their taxes to the separate school system one of them, the wife or the husband, being a Roman Catholic, therefore there is a Catholic family involved, surely it's not technically or legally impossible that the taxes be directed to the separate school system? I just don't see the legal bar that is involved there. I don't see the principles of law that your—

Hon. Mr. Wells: The principle of law that you get into here, as I understand it, is the principle of a non-Roman Catholic being a separate school supporter; that starts to come in and cloud the issue. As I say, I don't know all the legal points involved in this, but once you change that around and if the household is then supporting the separate schools, with a non-Roman Catholic person there— and I imagine it must have something to do in law where if the husband is considered head of the household, or something for this purpose; I don't know—

Mr. Foulds: Maybe that is something for the Law Reform Commission.

Hon. Mr. Wells: That's right, maybe that's something in the whole business of family law that they are looking at. But I gather that that's the principle that comes in and muddies it. In various court cases they have always found to the contrary; that if the husband isn't a Roman Catholic, he can't then support the separate school system. As I say, no one wants to breach that other principle, which is that non-Roman Catholics be supporters of the separate school system, least of all the Roman Catholics themselves, because that destroys the whole idea of the school system. It becomes an open system that anybody can support.

I will look into it further. I will be happy to look into it further for the hon. member. It is one of those things that has, of course, come up from time to time.

Mr. B. Newman: I don't want to be long at all, Mr. Chairman, but I wanted to mention to the minister that it is just recently that you changed the legislation that prevented a non-Catholic supporter from being a board of education trustee. You can recall the situation in Windsor where an individual who was not a separate school supporter was a trustee on the separate school board. I think, using that same idea, you can come along and adjust legislation to permit it—just as the member for Sudbury East is asking.

Hon. Mr. Wells: What you're suggesting, though, reinforces what I said. I was, frankly, rather amazed that a non-Roman Catholic could be elected a trustee of the Roman Catholic separate school board.

Mr. B. Newman: He is not a non-Roman Catholic school supporter. The man can still be a Roman Catholic.

Hon. Mr. Wells: Oh, yes, but in the one particular case I think he wasn't even a Roman Catholic. In fact, he didn't even have to be a supporter, did he? No, as a matter of fact, the person who I was thinking of was a public school supporter who was elected as a trustee on the Catholic separate school board.

Mr. B. Newman: That's right.

Mr. Chairman: Does item 2 carry?

Items 2 and 3 agreed to.

Mr. Chairman: Is item 4 carried?

Mr. Foulds: No.

Mr. Chairman: Okay; then we'll rise.

Hon. Mr. Winkler moves the committee rise and report. Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report progress and asks for leave to sit again.

Report agreed to.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Mr. Speaker, before I move the adjournment of the House I think that just for the record I will inform the House that on Tuesday we will proceed further with the Ministry of Education until the termination of the time allotted, followed by the Ministry of Housing and then the balance of the estimates at the conclusion of that period of time.

Hon. Mr. Winkler moves the adjournment of the House.

Motion agreed to.

The House adjourned at 1 o'clock, p.m.

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No. 119



Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Ninth Legislature

Tuesday, November 12, 1974

Afternoon Session

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

THE QUEEN'S PRINTER
PARLIAMENT BUILDINGS, TORONTO
1974

10

Price per session, $10.00. Address, Clerk of the House, Parliament Bldgs., Toronto



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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, NOVEMBER 12, 1974

The House met at 2 o'clock, p.m.

Prayers.

Mr. J. R. Breithaupt (Kitchener): Mr. Speaker, before the commencement of the afternoon session, I would like to point out to you that in your gallery today is Mr. Paul Taylor, the newly elected member for Carleton East.

Mr. V. M. Singer (Downsview): Mr. Speaker, could I introduce, in the gallery opposite us, students from William Lyon Mackenzie Collegiate Institute in the sovereign riding of Downsview—some 80 grade 10 students, accompanied by Mr. Young, the teacher in charge.

Mr. Speaker: Statements by the ministry.

CSAO NEGOTIATIONS

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Mr. Speaker, as I have indicated to this House on a number of occasions, I am always reluctant to release information which would prejudice the course of negotiations. For this reason, I have not commented to this point, other than in a very general way and in very general terms, on the negotiations which are currently under way for the employees in the operational services category.

While I would still prefer to save the bargaining for the bargaining table, Mr. Speaker, an article in the early edition of today's Toronto Star persuades me to make the following comments.

The first meeting of the parties was held on Oct. 10, 1974, to review the CSAO's formal proposals. These proposals had been delivered to the government on Sept. 27, but had been headlined in the press several days earlier. As the members will recall, the position of the CSAO was that there must be a wage increase of 61.5 per cent in a one-year agreement, plus a cost-of-living clause, or there would be a work stoppage on Jan. 1, illegal though it might be. In addition, the CSAO asked for major changes in the classification structure.

The parties met again on Oct. 23, and at this first meeting, following the review of the association's demands, the government tabled an initial wage offer. I will not divulge the details of the offer but I can assure the House that it was a very substantial offer indeed. While it was made very clear to the association that it was an opening offer, it was designed to assure the association and the employees that the government recognizes the effect on earnings of the recent unusual rise in the cost of living, and that the government is prepared to do everything within reason to bring about a satisfactory resolution of these negotiations.

The next meetings of the parties were held on Nov. 7 and 8, at which time a response to the government's starting offer was expected. The CSAO's committee did not modify its 61.5 per cent demand, however, but advised the government negotiators that they would have to go back to the membership to review their mandate.

It was our understanding, Mr. Speaker, that the reason for reviewing the mandate was that the original mandate allowed the association's committee to bargain only on the basis of a standard increase for all classes, whereas our initial offer would provide varying increases to different groups to more properly reflect the changing wage patterns of other employers in the province.

Now we learn from the story in today's Star that employees will be asked on Sunday to accept or reject this wage offer from the government.

In my view, Mr. Speaker, there is no need whatsoever to take a membership vote on what the CSAO clearly recognizes as the government's initial offer. The government negotiators will continue to press for an early resumption of the negotiations, and will be prepared to meet as often, and for as long as the circumstances will allow, to bring about a settlement.

CREDIT CARDS IN SUPERMARKETS

Hon. J. T. Clement (Minister of Consumer and Commercial Relations): Mr. Speaker, on Friday last I announced my

ministry's position on the use of credit cards by retail grocery supermarkets. The press the following day carried an article saying I had subsequently announced an alternative method of purchasing food which would be acceptable. Mr. Speaker, that article is completely incorrect. I have made no such statement, and the ministry's position is exactly the same as I advised the members of this House on Friday last.

In my mind, a cash discount is not sufficient justification for the introduction of credit cards in supermarkets, and does not offset many other negative aspects of such practice.

Mr. E. Sargent (Grey-Bruce): It was not right in the first place to talk about it.

Mr. S. Lewis (Scarborough West): The minister is certainly tough in the absence of an enemy.

Mr. Speaker: Oral questions. The member for Kitchener.

BEEF PRICES

Mr. Breithaupt: Mr. Speaker, my first question is to the Minister of Agriculture. Was the minister able to meet with representatives of the Farmers Union this morning concerning the urgent situation in the beef industry? If so, can he report to the House on what the results of those discussions were?

Hon. W. A. Stewart (Minister of Agriculture and Food): The answer is yes, Mr. Speaker. I met with the entire delegation, listened to their proposal, and agreed to give it further consideration.

Mr. Lewis: May I ask a supplementary to that, Mr. Speaker? I was pleased by the minister's support of the food bank idea. Is is possible for Ontario to make, as it were, a public demand of the federal government that the food bank—

Mr. Speaker: Order, please. That doesn't seem to be supplementary to the original question.

Mr. Lewis: I understood that was a part of the minister's response to the NFU this morning, Mr. Speaker.

Mr. Speaker: I didn't hear anything of that in the answer—

Mr. Lewis: I am sorry.

SHORTAGE OF DENTAL HYGIENISTS

Mr. Breithaupt: A question of the Minister of Health, Mr. Speaker. In view of the recent disciplinary action against four dentists that was widely reported in the press, is it correct that there is a shortage of dental hygienists who would otherwise be doing some of the routine work which apparently nurses and other aides have been doing in dentists' offices? If so, what plans does the minister have to relieve that apparent shortage?

Hon. F. S. Miller (Minister of Health): Mr. Speaker, perhaps the shortage doesn't exist in the classification called hygienists as much as it does in the category called dental assistants, who have been acting as hygienists. I think that is where the cases took place.

We have been working with both the college and the association of dentistry of Ontario to try to find out what steps could be taken on a short-term basis to upgrade the estimated 1,000 dental assistants in the province who are working without qualifications to work in your mouth, and to qualify as many as we can to do intra-oral procedures. There are some problems because they will require the use of teaching facilities that are traditionally in use during the university year. We are attempting to find some way of carrying out this upgrading course on a one- or two-week basis to qualify these dental assistants to do certain things that they were not by law permitted to do.

Mr. Speaker: A supplementary.

Mr. A. J. Roy (Ottawa East): Mr. Speaker, may I ask a supplementary question on the response by the minister? Does the minister agree with the college as to the potential danger of anaesthetic in the dentist's chair? And if he does, does he have any ideas—as a short-term measure for instance—about encouraging dentists who want to proceed with this procedure to use hospital facilities?

Hon. Mr. Miller: With great respect, Mr. Speaker, I don't see that as a supplementary.

Mr. Speaker: I was trying to place it too and I really had difficulty.

Mr. Roy: I thought we were talking about dentists.

Mr. Speaker: It seems like a new question to me. I think we had better wait for your turn.

Hon. Mr. Miller: I will answer it later.

Mr. Speaker: The member for Kitchener.

Mr. Roy: The minister is hiding behind procedures.

USE OF INFORMATION BY PUBLIC EMPLOYEES

Mr. Breithaupt: A question of the Attorney General, Mr. Speaker: Following the Attorney General's comments last week concerning the matter of conflict of interest in questions which I had raised and which had been brought before the House, particularly dealing with a matter in the region of Waterloo, is he able to report to the House on expected legislation or regulations with respect to conflict of interest among those who are in public positions?

Hon. R. Welch (Provincial Secretary for Justice and Attorney General): Not this afternoon, Mr. Speaker, but I would hope before the end of the week to have that review completed.

Mr. Speaker: Further questions?

PROVINCIAL DEFICIT

Mr. Breithaupt: Just one question of the Treasurer, Mr. Speaker—other than is he packing his shovel and little pail? Was the Treasurer correctly quoted when he said, as reported in the Globe and Mail yesterday, that the province is deliberately taxing to the hilt in the inflationary phase of the cycle and will reverse itself when the economy enters the recessionary phase? And if the minister was correctly quoted, how can he explain our present situation where we have a record cash deficit expected of some $1.25 billion?

Hon. J. White (Treasurer and Minister of Intergovernmental Affairs): Well sir, I don't know that I used the words "taxing to the hilt"; I rather think I didn't. But the fact of the matter is, we have had high taxes—

Interjections by hon. members.

Mr. Roy: It is on the record.

Mr. Lewis: He is certainly taxing families to the hilt, what about the corporations?

Mr. Speaker: Order. Order please.

Mr. J. A. Renwick (Riverdale): The Treasurer considers any tax a tax to the hilt.

Hon. Mr. White: This answer may take a long time. Please don't interrupt me.

Interjections by hon. members.

Mr. Lewis: I am sure it will.

Hon. Mr. White: We have been contra-cyclical budgeting—

Interjections by hon. members.

Hon. Mr. White: —by which I mean we have been taking in more money than we have been putting out, and in the process, unlike the federal government, we have been putting a dampening effect on the economy of Ontario, which I suspect is one of the reasons, Mr. Speaker, that a most senior minister in Ottawa said to me a couple of weeks ago—

Mr. Renwick: He has been reading Keynes over the weekend.

Mr. Speaker: Order please. Order please, you can't hear the minister.

Hon. Mr. White: —that Ontario has the strongest economy in the world today.

Mr. R. F. Ruston (Essex-Kent): He is the biggest cause of the layoffs.

Mr. Lewis: That brings him up to Adam Smith.

Hon. Mr. White: Now then, our unemployment rate, as reflected by Statistics Canada's report a week ago, shows that we have 3.6 per cent unemployment, and this includes some number of people between jobs and people who are unwilling or unable to move where the jobs are. So fundamentally, there is no meaningful unemployment in this province at the present time.

Our present predictions are that next year will be not quite as prosperous as this year. And so, instead of having something like four per cent real growth, we are anticipating something like three per cent real growth. Instead of having unemployment of something like 3.6 per cent, we are anticipating something like four or 4.5 per cent. I didn't use the figure five, although I see that is in the same news article. That came from some other source, I dare say.

If it should happen that unemployment does increase in the next four or five months to something like four per cent, one would expect a balance between cash in and cash out. That's a balanced budget by my terms.

If it should happen that unemployment is more than four per cent, I think it would be wise for us to incur a modest cash deficit. I

will be glad to elaborate if members so desire.

Mr. Lewis: It is $848 million so far and will reach $1 billion within months.

Hon. Mr. White: I would like, Mr. Speaker, having been given this opportunity, to read a letter which I felt compelled to write to the Globe and Mail, feeling as I do that—

Mr. Speaker: Order, please. How long is that letter?

Hon. Mr. White: It is short and to the point.

Interjections by hon. members.

Mr. Speaker: Order, please. Perhaps the minister could summarize it.

Mr. Breithaupt: Perhaps the cartoons could be brought into the record as well.

Mr. Singer: Read the editorial in the Sun.

Hon. Mr. White: Well then, sir, let me just say that the headline in yesterday's paper "Deficit Budget Forecast After Ontario Misread Inflation's Impact" was, in my view, grossly misleading. I say that for these reasons and I will summarize them.

Mr. Roy: Let the Treasurer give us his view of the cartoon there.

Hon. Mr. White: The last budget forecast total income—

Interjections by hon. members.

Mr. Speaker: Order, please.

Hon. Mr. White: —from all sources to be $9,251 million and total outgo for all purposes to be $8,915 million. The difference between cash in and cash out was calculated to be a surplus of $336 million. The April budget also—

Interjections by hon. members.

Hon. Mr. White: Listen, members will miss me for two weeks. Come on and give me a break now.

Mr. Singer: No, we won't miss the Treasurer.

Hon. Mr. White: They will be sorry I am not here. The April budget also described my intention to aim for a total target for debt reduction of $449 million.

Mr. Lewis: If they think they have a crisis in the Middle East now, wait until the Treasurer arrives.

Hon. Mr. White: To summarize, sir, we have in fact reduced our outstanding public debt this year, in the last seven or eight months, by $369 million. We decreased our outstanding public debt last year by $225 million; so in the last 17 or 18 months—19 months perhaps—we have decreased our outstanding public debt by $594 million.

Mr. Singer: Wacky Bennett used to talk like that, does the Treasurer remember?

Mr. J. E. Bullbrook (Sarnia): He makes Real Caouette sound like John Stuart Mill.

Hon. Mr. White: We are recognized, sir, around the world by our own people and others as being the best financially managed province in Canada, as evidenced once again, I have to say it, by being the only province in this country with a triple-A rating.

Mr. Speaker: The member for Grey-Bruce has a supplementary?

Mr. Sargent: It is supplementary to this statement.

Mr. Lewis: Wait till they get the Treasurer in the tent.

Hon. J. W. Snow (Minister of Government Services): With the camels.

Mr. Sargent: It has been projected that the Treasurer's deficit—

Mr. Speaker: Order, please. The question must be based on the minister's answer.

Mr. Sargent: In view of the statement, I asked the Treasurer last week if his deficit would not be $2 billion this year, if it weren't for inflation. Will he say now that the deficit, with inflation in mind, will be only $1 billion this year? Will he say that now?

Hon. Mr. White: Sir, the most recent predictions for the fiscal year ending March 31, 1975, are for a cash surplus of $231 million.

Mr. Speaker: Does the member for High Park have a supplementary?

Mr. M. Shulman (High Park): Will the minister admit that this province is deficit financing or does he not recognize that we are deficit financing?

Hon. Mr. White: No, I am not going to take a sub-total halfway down the line and call that the bottom line. If the member

wants me to regurgitate all the information I gave in my estimates, I am quite prepared to do so.

Mr. Lewis: Bennett used to speak of contingency financing.

Hon. Mr. White: I would no more look to me for advice on an inflamed appendicitis—is that how one says it?—or appendix, than rely on this bird opposite for economic advice.

Mr. Speaker: Any further questions? The member for Scarborough West?

Mr. Lewis: Supplementary: Is this bird over here right when he says that the Treasurer is personally charming, lusty, humorous and full of life? And what does he mean by lusty?

Mr. Speaker: I don't really think that's of urgent public importance.

Hon. Mr. White: Mr. Speaker, I will have to take that as notice.

Mr. Speaker: The member for Scarborough West with his questions.

Interjections by hon. members.

MERCURY POLLUTION

Mr. Lewis: Can I ask the Provincial Secretary for Resources Development, since he seems ably to co-ordinate the many ministries under his purview—

Hon. A. Grossman (Provincial Secretary for Resources Development): I am glad the member is finally recognizing that.

Mr. Lewis: Well, I want to be kind in advance.

An hon. member: I'm going to wait until we get the answer.

Hon. Mr. Grossman: Now drop the other shoe.

Mr. Lewis: Right. What is he going to do now that the figures have finally been released showing the levels of mercury in the Winnipeg River, English River and Wabigoon systems for 1974 and indicating that the levels are almost uniformly hazardous, very much higher than the permissible level, and what then will be done about the Indian populations of the area?

Hon. Mr. Grossman: Mr. Speaker, I'm rather surprised that the hon. member doesn't know that the Ministry of Health is not in my policy field.

Mr. Lewis: The figures were released by the division of fish and wildlife, Ministry of Natural Resources, in the minister's policy field, and referred to by the Minister of the Environment (Mr. W. Newman), also in his policy field; so I assumed that he was doing as good a job co-ordinating them as I gave him credit for. Clearly, I was premature. I shall therefore drop the other shoe.

Now that he has the levels in front of him showing that the CBC was entirely right in its documentary—the levels have not been reduced but are at very serious levels to human health—what is being done by way of an alternative food supply for the Indian reserves in the area?

Hon. Mr. Grossman: Mr. Speaker, in the first place, I don't think it has been proved, by any stretch of the imagination, that the CBC was entirely right as the hon. member puts it and, of course, it suits his political purposes to say it was entirely right.

Mr. Lewis: I believe in public corporations.

Mr. Roy: Does the minister mean they're wrong?

Hon. Mr. Grossman: In the second place, the specific question the hon. member has asked was answered by my colleague, the Minister of Health, I think it was Thursday or Friday.

Mr. Singer: It wasn't answered.

Mr. Lewis: No, it wasn't.

Hon. Mr. Grossman: It may not have been answered to the hon. member's satisfaction, but it was an intelligent and honest answer.

Mr. Singer: It wasn't answered at all.

Mr. Lewis: By way of a supplementary, since the answers preceded the tabling of the 1974 figures showing that the new level of mercury for the Winnipeg River, English River and Wabigoon in every case is above the permissible level—and sometimes startlingly and dramatically above—what can the government do by way of a crisis intervention to protect the communities dependent on these systems for foodstuff?

Hon. Mr. Grossman: Mr. Speaker, I still maintain that the hon. Minister of Health answered that question the other day. If the hon. leader of the NDP doesn't think that that was a satisfactory answer, or he would

like an additional answer, I would suggest that he direct that question to the Minister of Health.

Mr. J. E. Stokes (Thunder Bay): A supplementary.

Mr. Speaker: A supplementary.

Mr. Stokes: Since the responsibility for industry and tourism falls within the minister's policy field, is he taking any steps to see that the company that is responsible for these high levels of mercury content in fish compensates tourist operations in the area that are going down the drain as a result of their inability to attract sportsmen and other tourists to the area?

Hon. Mr. Grossman: Mr. Speaker, this government has already done that. It was, I think, a year or two ago when this question first arose, that they had a programme, which I believe is still in existence, but which at that time was of great assistance to many of those operators. Indeed, it was one of the operators who didn't think he was getting sufficient compensation who started the story all over again with the CBC. There is a programme and we have done a great deal to help some of the operators relocate in other areas.

The hon. member knows perfectly well one of the difficulties this government has in respect of the mercury problem is to deal with it in an intelligent fashion without at the same time destroying the ability of many people in the north to make a decent living, having regard for many wild statements which are made outside the context of fact in respect of the mercury problem, which, indeed, is serious enough.

Mr. Singer: Mr. Speaker, by way of a supplementary—

Mr. Speaker: A supplementary?

Mr. Singer: Yes. Since the Ministry of Agriculture and Food is within the policy minister's ambit, could he tell us what steps have been taken to plan alternative sources of food for the people who are affected by excess mercury in the fish, or does the government have any plans at all?

Hon. Mr. Grossman: Mr. Speaker, the hon. member knows perfectly well the Minister of Agriculture and Food is sitting beside me. He would be glad to answer that.

Mr. Singer: But the provincial secretary is the policy minister.

Hon. Mr. Grossman: I made this point the other day and I don't intend to back down from it: I don't intend to usurp the responsibilities of my colleagues.

Mr. Singer: What are the minister's responsibilities?

Hon. Mr. Grossman: The member knows perfectly well what my responsibilities are.

Interjections by hon. members.

Hon. Mr. Grossman: If the hon. member had taken the time to be here during the debate on my estimates, when I thought he might be here, to ask those so-called pertinent questions—

Mr. Singer: I can't even stand to be here when the minister answers questions. Why should I be here for his estimates?

Hon. Mr. Grossman: —he might have got an answer for himself. If he's seriously concerned about this problem I wish he would stop smiling so smugly about the serious problem, because it is a serious problem, as the hon. member knows perfectly well.

Mr. Singer: Oh, come on. When in doubt be insulting.

Hon. Mr. Grossman: Mr. Speaker, we are not unaware of the fact that because there are certain constitutional responsibilities lying with the federal government and which they insist very strongly no one encroach upon—

Mr. Lewis: Oh come on. To provide food for the people?

Mr. Breithaupt: Are they going to turn down food?

Hon. Mr. Grossman: These are serious questions—

Mr. Singer: How about a serious answer?

Hon. Mr. Grossman: I wish the hon. members would give me serious attention and make sure they hear the answer before they interrupt.

We are not unaware of the fact, because in certain areas we cannot move because the federal government—

Mr. Stokes: Whose responsibility was it to monitor the offending company?

Mr. Speaker: Order, please.

Hon. Mr. Grossman: It's your question period. I'm prepared to wait.

The hon. members know perfectly well—

Mr. Singer: Great performance. Why doesn't the minister answer the question?

Mr. Roy: Tell them to eat pamphlets.

Mr. Speaker: Order, please. We are wasting time.

Hon. Mr. Grossman: We didn't think it was that funny. We thought it was very serious.

Mr. Roy: What the hell is the minister doing about it?

Hon. Mr. Grossman: Why doesn't the member shut up and listen?

An hon. member: It's about time somebody said that.

Mr. Sargent: That's not very parliamentary.

Mr. Speaker: Is there more to the answer?

Mr. Lewis: At this point, Mr. Speaker, I would like to welcome Paul Taylor in the gallery.

Interjections by hon. members.

Hon. Mr. Grossman: For a very serious problem there is a lot of laughter opposite.

Mr. Roy: Why doesn't the minister sit down?

Hon. Mr. Grossman: Because I was asked a question!

Mr. Singer: Now for the answer!

Mr. Speaker: Order, please.

Hon. Mr. Grossman: If the hon. member or any of his colleagues doesn't think I'm capable of answering a question, he shouldn't ask me if he wants an answer.

Mr. Sargent: Why doesn't the minister resign? Answer that one.

Mr. E. M. Havrot (Timiskaming): Why doesn't the member for Grey-Bruce resign?

Mr. Speaker: That's not a supplementary question. Is there a further answer?

Mr. P. D. Lawlor (Lakeshore): Self-righteousness will get him nowhere.

Hon. Mr. Grossman: Mr. Speaker, if I may, we are not unmindful of the fact, because the federal government makes it difficult for us to do some of the things we would like to do in this particular field—

Mr. Lewis: Like feeding people.

Hon. Mr. Grossman: —that the opposition is making a political issue out of the fact that two governments are fighting with each other, and there are people suffering in the meantime.

Mr. Lewis: This government won't give food to people; it's there and it won't give it.

Hon. Mr. Grossman: We are doing everything we possibly can within the confines of our particular—

Mr. Lewis: No, they are not. Calves are being slaughtered and they won't provide food.

Mr. Speaker: Order, please.

Hon. Mr. Grossman: Mr. Speaker, having regard for the fact that the opposition obviously doesn't want to deal with this seriously, and one of the members opposite is even taking the trouble of whistling, I will let them perhaps simmer in their own juice and try as much as they possibly can to satisfy their own conscience that they are really serious about this very serious problem.

An hon. member: They haven't got a conscience.

Mr. Lewis: Oh, cut it out!

Mr. Speaker: Order, please.

Mr. Lawlor: That was just dreadful.

Mr. Speaker: There have been too many interruptions—and the wrong kind of interruption, I must say.

Mr. Sargent: Want to borrow my whistle?

Mr. Speaker: Please do not use it again if you are the offending member.

I think we should go on with another question from the member for Scarborough West.

Mr. Roy: Stay away from that provocative minister.

FOOD COMPANY PROFITABILITY

Mr. Lewis: A question of the Minister of Consumer and Commercial Relations, if I may, Mr. Speaker: Does the minister recall indicating in his food study that several of the companies were receiving high rates of return, and that further profit increases on the scale of 1973 didn't appear to be necessary for these companies? Does he therefore intend to intervene in the case of Maple

Leaf Mills, whose profit level for the first nine months of 1974 is running at 57.7 per cent—significantly ahead of 1973?

Hon. Mr. Clement: I recall very clearly the statement contained in the food study survey, Mr. Speaker. I have not yet met with the people from Maple Leaf Mills. It is a possibility that I'm prepared to explore, just in terms of educating myself as to why this has happened. As to what the outcome of such discussions might be, I could only speculate at this time.

Mr. Lewis: By way of supplementary, since the minister is on record as indicating that the additional profits need not be necessary, and since they are occurring, could he undertake to meet with Maple Leaf Mills—we'll mention other offending companies to the minister as they emerge—and report back to the House as to whether or not his statement can be sustained?

Hon. Mr. Clement: I'm prepared to consider it.

MUNICIPAL VOTERS' LISTS

Mr. Lewis: Thank you. One last question, if I may, of the Minister of Revenue, Mr. Speaker: Can the Minister of Revenue provide a very speedy amendment to the Municipal Elections Act which would allow for specific challenges to be made in the city of Toronto during the municipal election campaign—challenges of voters whose principal residence is outside the poll in which they vote, since 140 of the 746 names, which were thought to be illegitimate and were taken up with the Clerk, were sustained; 740 out of 746 sustained, indicating widespread errors in the lists. Can the minister introduce an early amendment allowing for challenges?

Hon. A. K. Meen (Minister of Revenue): Mr. Speaker, although I had responsibility for that bill when it was introduced and carried through the House two years ago, it happens that that Act is the responsibility of the Treasurer and Minister of Economics and Intergovernmental Affairs. I would suggest that the hon. member redirect the question.

Mr. Breithaupt: Ask him before his carpet leaves.

Mr. Lewis: How lustful does the Treasurer feel about municipal elections and will he amend the Act to allow for challengers on the day of election, given the extraordinary discrepancies that have occurred and have now been legitimized on the municipal lists?

Hon. Mr. White: Mr. Speaker, I will be glad to consider that.

Mr. Speaker: I recognize the Minister of Government Services.

Hon. Mr. Snow: Mr. Speaker, unfortunately I missed the appropriate time, but I hope the House will join me at this time in welcoming a group of 35 students from the Martin St. Senior Public School at Milton who are with us in the west gallery today.

Mr. Speaker: The hon. member for Ottawa East.

ALBERTA INVESTMENT IN ONTARIO

Mr. Roy: A question of the Treasurer, on the eve of his trip to the Arab countries: Would he advise if he has taken any steps to meet with his friend, the blue-eyed sheik from Alberta, to get some money from him and thereby give Canadians in that province an opportunity to invest in this province?

Hon. Mr. White: I certainly have discussed the matter at some length with the Minister of Finance, whose name is Gordon Miniely, not expecting him to invest money in Ontario so much as expecting that these very large and to some extent unexpected increases in income would not be used to dislocate the fiscal structure of Canada from coast to coast, but rather invested in long-life capital goods. This indeed is the policy determination of that government, as I understand it.

Mr. Roy: Supplementary, Mr. Speaker, to the answer: Does the Treasurer not feel that these discussions should continue and result at least in some decision? Would he not agree that if at all possible the people, at least in that province, considering their large surpluses, should have the first opportunity to make the type of investment that he will be asking the Arab countries to make?

And by the way, would the Treasurer answer this: Is it rumour or fact—

Mr. Speaker: Is that the same supplementary question?

Mr. Roy: Yes, just a second part of the supplementary: Is the Treasurer in fact being banished down there for his bad advice to the Premier (Mr. Davis) in relation to Carleton East?

An hon. member: Grow up.

Hon. Mr. White: I don't think I have been banished from anywhere in all my life, unless it's the Liberal caucus.

Now sir, the money markets in Canada are excellent. There are none better anywhere. We can raise $175 million in this Toronto market, which embraces all of Canada; whereas in Germany, which is a very large industrial state, the most that one can raise is $35 million. The most one can raise in Switzerland is $25 million or $35 million. So when corporations or governments go to market here in Toronto—

Mr. R. S. Smith (Nipissing): The Treasurer has used up his credit out there.

Hon. Mr. White: —they offer those securities from coast to coast, and Albertans wishing to invest in this province have ample opportunity to do so.

Insofar as the Alberta provincial funds are concerned, this is their responsibility. If they want to invest money in certain projects here I would be delighted to speak to them, but I don't propose to persuade them to do so.

Mr. Speaker: The member for High Park.

Mr. Sargent: A supplementary.

Mr. Speaker: This will be the last supplementary.

Mr. Sargent: In regard to Alberta revenues from oilfields, this year they are going to reap $1 billion more than they had last year.

Mr. Speaker: Your supplementary question?

Mr. Sargent: And in view of the fact that today's Wall St. Journal says that the bickering between the provinces and Ottawa—

Mr. Speaker: Order please. Your question!

Mr. Sargent: —resulting in seventy-five per cent of the—

Interjection by an hon. member.

Mr. Speaker: Order, please. May I point out that supplementary questions are supposed to—

Mr. Sargent: Why can't the Treasurer borrow money from Alberta?

Mr. Speaker: Order, please.

Mr. Sargent: A bunch of dough-heads! This is a supplementary question.

Mr. Speaker: Order please. I would like to explain a point. Will the member take his seat?

I should point out, and really it shouldn't be necessary to remind the hon. member, that a supplementary question is supposed to—

Mr. Sargent: The Treasurer spoke for 10 minutes. There is nothing more important—

Mr. Speaker: Order please. A supplementary question should arise out of the question—at least the answer to the question, not a new question. A new question should not be devised.

Mr. Sargent: You are all mixed up, Mr. Speaker.

Mr. Speaker: I am not mixed up.

The member for High Park.

"THE POWER AND THE TORIES"

Mr. Shulman: A question of the Minister of Government Services in reference to the book published on Saturday by Jonathan Manthorpe called "The Power and the Tories": My question relates to a statement made on page 135, which is that the Tories financed their last election campaign by assessing each company that did business with the government a proportion of the amount of business which it had done with the government. Can the minister inform me who in the minister's department supplied to Mr. William Kelly the list from which he was able to work?

Mr. Roy: We all knew that.

Hon. Mr. Snow: Mr. Speaker, I haven't had the opportunity to read that document—

Mr. Lewis: It's not a document; it is a book. There is a distinction.

Mr. C. E. McIlveen (Oshawa): It is fiction.

Hon. Mr. Snow: I would assure the hon. member that to my knowledge no one in my department, and certainly not myself, gave any such information out.

Mr. Shulman: Supplementary question, Mr. Speaker: Could the minister inform me who did supply the information to Mr. Kelly?

Hon. Mr. Grossman: All the member needs to do is look in the public accounts book; that is all he has to do to get the list.

Hon. Mr. Snow: No, Mr. Speaker, I certainly cannot inform the hon. member, and I

don't accept the fact that any such information was given to anyone.

Mr. Shulman: As a final supplementary, if I may, did the minister's department to his knowledge prepare a list in 1970 or 1971 of every company that had done business with the government? If so, to whom did he give it?

Hon. Mr. Grossman: Just look in the public accounts book.

Mr. Bullbrook: Oh, that's how they do it.

Hon. Mr. Snow: Mr. Speaker, certainly I have not, to my knowledge, any such information relating to any such list. First of all I would draw to the hon. member's attention that I was not the minister at that particular time.

Mr. Shulman: That's why he doesn't know.

Hon. Mr. Snow: Secondly, as has already, I believe, been brought forward by certain interjections, Mr. Speaker, this information is all public. It is published in the public accounts every year.

Mr. Shulman: Not in usable form.

Hon. Mr. Snow: The amount of money that the government pays to any contractor or any supplier is also available if one watches, for instance, Daily Commercial News. The name of every contractor that wins any construction job for the ministry is public information.

Mr. Lewis: Supplementary, if I may.

Mr. Speaker: This will be the last supplementary.

Mr. Lewis: Given the information contained in Jonathan Manthorpe's book, and the fact that the Liberal Party is now wearing pin-striped suits and getting money from Montreal bankers, when is the Camp commission report on controlling election expenses coming into the Legislature? Is it this month?

Mr. Speaker: Order, please. That doesn't seem to be supplementary. Is there a question from the Liberal Party? The member for Grey-Bruce.

SALTFLEET DEVELOPMENTS

Mr. Sargent: A question of the Minister of Housing: Would the minister investigate the payment of $6 million to a Jon-Enco for land in the Saltfleet development at the rate of $4,000 per acre, when they were told at the directors' meeting by the assessors that it could be bought of $2,000 an acre, or a saving of $3 million? Would the minister investigate that and produce the file to the House, please?

Hon. D. R. Irvine (Minister of Housing): Mr. Speaker, I'd be delighted to investigate and report to the House.

Mr. Speaker: The member for Sandwich-Riverdale.

EFFECTS OF MBK

Mr. F. A. Burr (Sandwich-Riverside): Mr. Speaker, a question of the Minister of Health regarding MBK—methyl N-butyl-ketone—of which I gave the minister a few minutes' notice: In view of the alarming effects of MBK on American workers exposed for only two years to this dye solvent and cleaning agent, what step is the minister taking to find out whether any Ontario workers are in similar jeopardy, and if so, what action will be taken to protect them?

Hon. Mr. Miller: Mr. Speaker, I'll take the question as notice.

Mr. Speaker: The hon. Attorney General has an answer to a question.

Mr. Roy: He is not here.

Mr. R. S. Smith: He is not there.

Mr. Speaker: Does the Attorney General have an answer to a question?

Mr. Lewis: Does he have an answer?

Hon. Mr. Welch: Oh! Not knowing anything about MBK, I didn't quite see the relationship, Mr. Speaker. I apologize, Mr. Speaker.

Interjections by hon. members.

Mr. Stokes: Stop fumbling.

ROYAL COMMISSION ON ALLEGATIONS OF POLICE BRUTALITY

Hon. Mr. Welch: On Nov. 4 last, the hon. member for Lakeshore directed a question to me relating to the provision of legal counsel for private citizens required to appear before the public inquiry into alleged police brutality. At that time I undertook to give his question consideration.

May I just briefly report to the House at this time that under the Legal Aid Plan, Mr. Speaker, it is my opinion that a person may obtain a certificate for legal assistance in any proceeding before the commission, subject to the discretion of the area director. This is authorized by section 13 of the Legal Aid Act, and it means that a citizen subpoenaed before the commission may apply to the area director for legal assistance—subject, of course, to the usual conditions.

The question of providing legal assistance to persons appearing before this inquiry has been fully reviewed by the commission, I am informed. Indeed, I have reviewed it myself and I am of the opinion—which I understand is also shared by the commissioner—that the use of the existing Legal Aid Plan will answer the hon. member's concern.

I propose to write to the area director of the Legal Aid Plan, suggesting to him that in order to assist the commission in the discharge of its responsibilities, I would appreciate it if he expedited the applications for any certificate which arises out of the fact that an individual is required to appear before this public inquiry. Of course, this would in no way interfere with the legal aid director's discretion, but would indicate the government's concern for the early resolution of the matter referred to the commission for its study.

Mr. Speaker: Supplementary?

Mr. Lawlor: Yes. Does the minister not realize that that isn't enough; that that is not fair within the terms of reference; that the police and all their representatives are completely covered through governmental metropolitan funds; and that other people are going to have to dig deep into their pockets in order to give the testimony which is a requisite to bringing that inquiry to pass?

Hon. Mr. Welch: Mr. Speaker, I feel this puts any citizen in the same position as any matter that's brought before any court or commission. They are subject to the Legal Aid Plan and the conditions of the plan.

Mr. Speaker: The hon. Minister of Health informs me he has an answer to the member for Sandwich-Riverside's question, which was asked a moment ago. He may give it now.

EFFECTS OF MBK

Hon. Mr. Miller: Mr. Speaker, the question was whether we were aware of the effects of methyl N-butyl-ketone; and we are only aware of questions raised in the United States. We are trying to obtain the data from the US. We should have the data within two to three days to assess it.

Mr. Speaker: The member for Essex-Kent.

DIESEL FUEL TAX

Mr. Ruston: Mr. Speaker, I have a question of the Minister of Revenue. Is it the policy of the minister to collect diesel fuel tax by having the trucking companies use it, and then, as they give in their reports as to how much they use in Ontario, they then pay the tax on it?

Hon. Mr. Meen: Yes, Mr. Speaker, if the truckers are registered with us, that is the practice that's followed.

Mr. Ruston: Supplementary?

Mr. Speaker: One supplementary.

Mr. Ruston: Does the minister at this time have any outstanding accounts as high as $200,000 that he is aware of?

Hon. Mr. Meen: Yes, Mr. Speaker, there are a number.

Mr. Speaker: The member for Windsor West.

WYETH PHARMACEUTICAL COMPANY

Mr. E. J. Bounsall (Windsor West): I have a question of the Minister of Health, Mr. Speaker. Will he investigate obtaining alternate sources of equivalent-quality pharmaceutical drugs normally supplied in Canada by the strike-bound Wyeth Ltd. plant in Windsor, other than importing them from the Wyeth company in the United States?

Hon. Mr. Miller: Mr. Speaker, I would like to look into the ramifications of that to see whether these other drugs are made only by Wyeth before I make any comment upon that.

Mr. Bounsall: Supplementary, Mr. Speaker: There's one in particular made by Wyeth in Canada, called Bicillin. In that regard would he investigate the possibility of other drug plants situated in Canada being able to manufacture and supply that particular drug for the Canadian market?

Hon. Mr. Miller: I would be pleased any time to find we can get Canadian sources of manufacture for anything we import, let

alone those products that for one reason or another are temporarily restricted. I think the hon. member is well aware, though, that when you get into the drug business, very many of the companies have exclusive rights on a given drug for one of two reasons: either a very low volume of sales, which does not justify anyone else being in the business; or more likely, an exclusive patent on that particular drug at that particular time. With those two things applying, it is very often difficult to either arrange licensing or induce somebody to make the drugs.

Mr. Speaker: The hon. Treasurer has an answer to a question asked previously.

FUTURE OF BLIND RIVER

Hon. Mr. White: Mr. Speaker, the leader of the NDP asked a question of the Minister of Revenue recently and the answer is as follows, it being in my ministry:

On Nov. 4, the member for Scarborough West asked the Minister of Revenue about levels of grants being paid to Blind River under our property tax stabilization programme. This programme is administered by my ministry and we will pay $114,937 in grants to Blind River this year. This is made up of a resource equalization grant of $67,306, a general support grant of $20,413 and a northern Ontario general support grant of $27,218.

Taken together, these grants amount to 50.7 per cent of the net general tax levy, which is basically its municipal property taxes. This rate exceeds the 46 per cent ceiling on property tax stabilization grants for non-mining municipalities because of the special conditions in Blind River, which has been a mining municipality. While the rate is high, the amount of money received by Blind River is lower than usual, because the tax rate in that town is lower than many other northern communities and our grants are directly related to the local tax levy.

Mr. Speaker: The hon. member for Nipissing.

APPRAISAL OF HOMES AT BURWASH

Mr. R. S. Smith: Mr. Speaker, I have a question of the Minister of Government Services in regard to the home owner assistance plan for employees of the government, which we discussed last week.

In light of his answers last week, and the information that's been provided, will the minister now indicate that at the end of the present one-year agreement between his ministry and H. Keith Ltd. all the realtors in the province will be given the same opportunity to deal on the same basis with individuals, and that an agreement will be reached with the realtors' association so that the programme will be universal across the province and the employees of the government who wish to sell their houses under that programme will have their own choice of realtor, as well as their own choice of legal advice?

Hon. Mr. Snow: Mr. Speaker, I am reviewing this procedure that we're following at the present time. I explained to the hon. members the other day how this new method of assisting public servants who are transferred was developed. It is something new. It has not been in operation before. We've only been dealing with it a few months, and I am certainly reviewing it. I can't say at this moment just what changes I'll be implementing, but probably some.

Mr. J. F. Foulds (Port Arthur): Supplementary.

Mr. R. S. Smith: Supplementary.

Mr. Speaker: The hon. member for Nipissing with his supplementary first.

Mr. R. S. Smith: Is the minister indicating that the changes in the programme would provide an equal opportunity for all the realtors across the province and the opportunity for the employee to make his own choice? These are the two basic rights that he has taken away in his present agreement.

Hon. Mr. Snow. Mr. Speaker, I believe at the present time every employee has the right to use the realtor of his choice if he wishes to sell his home privately. I agree that he does not have the total right under our plan and this is one of the matters that I am reviewing. The matter that the hon. member has brought up regarding the solicitors is also being looked into and I expect to have some proposal to bring forward in the relatively near future.

Mr. Speaker: A final supplementary by the hon. member for Port Arthur.

Mr. Foulds: Thank you, Mr. Speaker. Why did the minister make no public announcement of the plan when the tenders were called while the House was sitting, and the plan was in place for July 1? And why does

he feel it's necessary to go into a monopoly situation in this case?

Hon. Mr. Snow. Mr. Speaker, the hon. member asked whether I made a public announcement. We certainly publicly advertised the tenders and it is not my policy, nor I believe, is it the policy of any of my colleagues, that each time a tender is advertised to make a statement in the House relating to this.

Mr. Foulds: When the contract was awarded?

Hon. Mr. Snow: When we call tenders they are publicly advertised, and when the award is made normally a public press release is issued. I don't recall, in this particular case, whether it was or not. But certainly we did advertise publicly—

Mr. Foulds: No, it was not.

Hon. Mr. Snow: —in several publications, I can't recite them all at this moment, but we did publicly advertise for this procedure. My advisers advised this procedure. As I told the hon. member, I am not particularly happy with the way it is working and I intend to make changes, which, as I told him, we haven't decided on at this time.

Mr. Foulds: Would the minister make those changes public?

Mr. Speaker: The hon. member for Yorkview.

CONSUMERS' GAS RENTAL CHARGES

Mr. F. Young (Yorkview): Mr. Speaker, a question of the Minister of Consumer and Commercial Relations: In view of the fact that Consumers' Gas has recently raised the rental price of hot water heaters by 28 per cent, and also increased the sale price of such heaters after 10 years' use from $1.09, which was agreed upon years past, to $50 at the present time, will the minister indicate to Consumers' Gas that such increases should be held in abeyance until such time as he or his department can appear before the Ontario Energy Board later this month with a view to quashing such unjustifiable increases?

Hon. Mr. Clement: Mr. Speaker, I recall a question some days ago of a similar vein being directed to my colleague, the Minister of Energy (Mr. McKeough). As I recollect his answer at that time, they merely file these with the Energy Board. They don't make application with the Energy Board for approval.

After that question was tendered to the Minister of Energy, I had a subsequent brief conversation with him. My recollection is that counsel appearing for him before the board will be raising this issue with the Energy Board. I am just going on my own recollection and I would like to clarify that my recollection is correct and get back to the hon. member and verify or qualify it, whichever the case may be, but that is my recollection. Perhaps the member asked the question some days ago.

Mr. Speaker: The hon. member for Sarnia.

Mr. Young: Supplementary question.

Mr. Speaker: The time has just about expired. Is it a short supplementary?

Mr. Young: Would the minister then check on the validity of raising this price from $1.09 to $50 on the people who already have used these devices for perhaps 10 years?

Hon. Mr. Clement: I will check into it and get back to the member.

Mr. Speaker: Now the member for Sarnia.

APPRAISAL OF HOMES AT BURWASH

Mr. Bullbrook: Mr. Speaker, I have a question of the Attorney General, in connection with the homeowner assistance plan that my colleague from Nipissing was questioning the Minister of Government Services with respect to. Has the Attorney General been asked for any advice as to whether the programme restricting the free entitlement of the employee under the programme to a solicitor of his own choice was a proper decision? Is he prepared to give any advice as to the ethics of such a scheme?

Hon. Mr. Welch: Mr. Speaker, to answer the question quite directly, I have not personally been asked. It is obvious that the solicitors, both for the Ministry of Government Services and our own, being part of the common legal services, may well have been involved. I will make it my business to look into the matter now that the member has raised the question.

Mr. Bullbrook: Would the minister take it up with the discipline committee of the Law Society of Upper Canada?

Mr. Speaker: The member for Wentworth.

CONDITIONS IN NURSING HOMES

Mr. I. Deans (Wentworth): Mr. Speaker, I have a question of the Minister of Health, who is now speaking to someone over there. Will the Minister of Health require someone in his ministry to meet with the social services committee of the city of Hamilton to check into allegations with regard to the condition of certain nursing homes, the food that is served to those nursing homes, and a more serious allegation by one of the aldermen, that the nursing homes are advised in advance of any inspection that the inspection is about to take place?

Hon. Mr. Miller: Mr. Speaker, the quality of care in the nursing homes in the province has been my prime concern. I have been willing to forgo certain physical plant deficiencies, provided that quality care and quality food were given. I would be pleased to look into these matters and have my parliamentary assistant who, in fact, looks after the nursing homes for me, meet with this group if necessary.

Mr. Deans: Just one supplementary question: Would the minister make sure that whatever nursing homes were named this morning before the social services committee are investigated by his ministry to ensure that the other nursing homes that may well be doing a good job are not slandered by the accusation?

Hon. Mr. Miller: I would quite agree with the member. I don't want the good nursing homes slandered and, if some are managing to evade our inspections, I would be pleased to co-operate with any group that can help us. Incidentally, we have made it a policy that any time we get a complaint about a nursing home we have inspected that nursing home to see if the complaint was valid.

Mr. Speaker: The oral question period has now expired.

Petitions.

Presenting reports.

Hon. Mr. Potter presented a report on the construction, repair, renovation and expenditure of Burwash Correctional Centre from April 1, 1972, to Sept. 30, 1974.

Mr. Speaker: Motions.

Hon. Mr. Winkler moves that tomorrow this House will sit at the usual hour of 2 o'clock, p.m.

Motion agreed to.

Mr. Speaker: Introduction of bills.

Mr. Breithaupt: Mr. Speaker, before the orders of the day, you may recall, sir, that on Friday we adjourned a debate on a government motion with respect to matters under the Niagara Escarpment Planning and Development Act. It was adjourned on the basis that an opportunity would be given to members to have an explanation, or display, of the matters in detail. They were going to be arranged for by the Treasurer who, I believe, has now left the chamber.

Could the House leader advise us as to the time and location of that display and explanation so that we could proceed to clear up that motion with the questions which members have being attended to at that time?

Hon. Mr. Winkler: I will certainly do that, Mr. Speaker.

Mr. Speaker: Orders of the day.

Clerk of the House: The 32nd order, House in committee of supply.

ESTIMATES, MINISTRY OF EDUCATION
(concluded)

On vote 2702:

Mr. Chairman: On vote 2702, item 4. The member for Port Arthur.

Mr. J. F. Foulds (Port Arthur): Thank you, Mr. Chairman. I wonder if I could beg the committee's indulgence. I have matters that really range over items 4, 5 and 6. I would like to deal with them as a whole because they are effective in all those areas, and they have to do with the teachers' institutions.

Mr. Chairman: I didn't get that. Do you want to deal with items 4, 5 and 6 all at once?

Mr. Foulds: So that I don't repeat myself, I have basically the same matters to present on items 4, 5 and 6 and I wonder if I might do them at this time, Mr. Chairman.

Mr. Chairman: Is that agreeable with the minister?

Hon. T. L. Wells (Minister of Education): Yes, it is agreeable to me. I think it might be a good idea to consider all the items together.

Mr. Foulds: Just those three items together. I think that that would be agreeable to us.

Mr. Chairman: Okay.

Mr. Foulds: Thank you, Mr. Chairman, and I thank the members of the House. I want to throw a few questions to the minister and, perhaps, he can get some answers for me before the estimates end at suppertime tonight.

I want some statistical information that might be useful later on. I had hoped to be able to get these questions in last Friday so that the ministerial officials could have gotten them over the weekend, but that wasn't possible.

The last book that I was able to get hold of quickly was the one for 1973-1974—am I correct in assuming that the enrolment in the provincially-operated schools is roughly 6,550 and that the total number of teachers is roughly 660? You can have someone make notes of these and perhaps get us the information later on.

I would also like to know how many teachers in the provincial schools are on letters of permission.

Mr. Chairman: Just a minute. Before the minister answers, there is quite a bit of talking going on within the Legislature and it is very difficult to hear the member's questions to the minister. Could we just tone down a little bit, please?

Hon. Mr. Wells: So that we know that we're talking about the same thing, are you talking about the number of teachers in the three different categories of schools, the development schools, health facilities, hospital schools?

Mr. Foulds: Right.

Hon. Mr. Wells: Our own schools for the deaf and blind, and those of Correctional Services?

Mr. Foulds: Right.

Hon. Mr. Wells: Do you want to know the number of teachers by category or all lumped together?

Mr. Foulds: What I want to know first of all is your total involvement, the total number of teachers, the number of teachers on letters of permission, the number with "normal" qualifications.

Hon. Mr. Wells: We have none on letters of permission.

Mr. Foulds: Fine. The number with normal qualifications—that is equivalent elementary or secondary qualifications, if they are in the elementary system or secondary system—and how many you have with the special education certificate.

I would also like to know what your staff turnover was last year. In other words, how many people left the service? And, if you could pull out two specific figures for me, the ones for Thistletown and for the Thunder Bay school, the one associated with Lakehead Psychiatric Hospital.

I would also like to know the meaning of a phrase on page 3 of the 1973-1974 booklet, where it talks about the qualifications of teachers. It says:

> The school management committee salary levels are established in accordance with category requirements generally accepted in Ontario and the Ontario Trustees' Council, with modifications to suit the special needs of the provincially operated schools.

I would like to get an elaboration of the phrase relating to provincially operated schools, if I might.

I raise these questions with some seriousness—and I'll give you time to gather that information—because I believe that you have a very serious morale problem within this branch of education in the province.

Just before I came into the House today, I learned that 31 teachers from the Robarts School for the Deaf in London, including the principal, have submitted their resignations. Thirty-one out of 51 teachers.

I think it is an important matter, in view of the articles that have appeared recently in the papers, one as recently as last Friday, in which there is every indication that at least 500 of these special teachers plan some kind of action to protest against the way that they have been treated in the past in their negotiations. I imagine that it arises out of not only the frustration they have to deal with in the special circumstances in which they are teaching, but the special circumstances they seem to encounter with the school management committee.

I believe 1970 was the first time that a request went to the school management committee and to the ministry that these teachers be given some recognized and legitimate bargaining procedure. That request was renewed in 1973 and again this year, and has been totally ignored by the school management committee. One can only call the school management committee's attitude arbitrary and paternalistic.

When I raised the matter during the question period—I believe it is about a week and

a half ago now—I must say I found the minister's answer encouraging until I read it closely. As you read the minister's answer closely, it becomes clear that the school management committee will be the body that is asked to define the negotiation procedure for this group of teachers. If I may borrow a phrase from my friend from Sudbury East (Mr. Martel), that's like putting Dracula in charge of the blood bank, because the school management committee has for the last three years refused to bargain in any meaningful way with these teachers. They simply don't understand what negotiation procedure is about, nor does your answer to them, because in fact—

Hon. Mr. Wells: No, that is not right.

Mr. Foulds: Just a minute—if you assign to the school management committee the responsibility to devise the negotiation procedures, don't you understand that that is part of the frustration that these teachers are dealing with?

Hon. Mr. Wells: Yes, and that's not—

Mr. Foulds: I beg your pardon?

Hon. Mr. Wells: I think my hon. friend misunderstands. The letter that I sent said "ask the school management committee, as someone who is closely associated with the present situation, to come up with some suggestions."

I can tell you one of the first suggestions they've already made to me verbally is that they not be the ones to negotiate with the teachers. So you see they are not going to set the ground rules for them negotiating; they are probably going to opt out of the complete process.

I think that in fairness we also have to say that the school management committee had only not negotiated because they were acting under the guidelines that were given to them by the government. They were never told that they were a negotiating group. They were a body that was set up because at some time in the past the teachers did not want to be part of the civil service.

The first question I asked when I got into this whole situation was, "Why were these people not members of the civil service. with all the right or the procedures the civil service has?" They didn't want to be in that particular area because they wanted to be treated as teachers. They have all the time off, the regular summer holidays, etc., that teachers in the school boards have. They are quite different from regular civil servants.

So that's why the school management procedure was devised and at that time the idea of negotiations was not thought about. But I just want to make it very clear that we have indicated in principle that we are in favour of a procedure for negotiating with them and that was what I was indicating the other day.

Mr. Foulds: I don't want to be unduly unkind to the school management committee; I suspect that they were in fact simply carrying out the mandate or the orders from the government. But that attitude has in fact made them suspect in the eyes of the teachers concerned because they haven't been involved in negotiations. The government has been acting simply like a rather paternalistic management.

Surely it would make better sense to have an independent committee made up of the teachers, perhaps one or two people of the school management committee who have had the experience in the area, and a couple of other representatives, either from the Ontario Labour Relations Board or from the teachers' federations or something like that to devise a procedure. Surely you would have a better chance of agreement and success from the employees that you—I take your intentions honourably—wish to give these bargaining rights to.

I would put it to you that even so, it should be an independent committee and that that is not asking too much. I think you must try to give every appearance—as well as doing it in fact—of avoiding setting up a company union in effect.

For example, the whole question of compulsory membership must be examined fairly. As I understand it the school management committee has indicated it had in fact no authority to bargain with the representatives because a unit wasn't set up; there wasn't compulsory membership. But as far as I'm able to tell nobody within your ministry suggested to anybody at the policy making level that a change in legislation be enacted so that compulsory membership was possible, or so that any kind of bargaining unit could be set up.

Now I raise all those questions and this thrust of the argument with this in mind: Surely, whatever the rights and wrongs of the present situation, retraining or rehabilitation is one area that is enormously demanding and enormously emotionally draining on all of the people involved. And surely in this area we must lead the way. We mustn't get tied into the argument that the salary grid which is being imposed, in the teachers'

view, is on the average equal to comparable boards. Surely they do have a legitimate viewpoint when they say they want to be related to the five or six top boards, because surely this area is one in which we have to give our very best. It's not enough to be satisfied with the average.

Just one very interesting statistic: It is my information that a quarter of the staff—that is, 12 of the teachers on staff—at the Robarts School for the Deaf in London is receiving between $5,600 and $6,100. Maybe they are all new teachers and maybe they are inexperienced, but it seems to me that that level is hardly acceptable for the kind of job that we should be expecting to be done in those situations. It seems to me to be indefensible that a quarter of your staff teaching full-time with deaf kids is earning less than $6,100. Surely one of the ways that you can encourage and attract qualified and good teachers to this area is by granting them decent salary levels and by granting them bargaining rights. In this way you can be sure of attracting people of the very highest calibre.

I have a couple of other examples. Perhaps the ministry officials can check it out, but it is also my information that the basic wage at the Thistletown Regional Centre. for example, is approximately $10,300 for a teacher with a three-year BA and six years of experience.

In that category, a Metro high school teacher would be earning something like $11,400. Now, there's a $1,000 differential.

Money isn't the be-all and the end-all, and nobody pretends that it is, but simply because these people are interested in the special branch of education and are dedicated to these kids, doesn't mean that we should be ripping them off or that we should be taking advantage of them.

I don't know what attitude of mind there is that when two of the associations — of special contract teachers and of Ontario hospital school teachers—rejected the proposal of the school management committee, the school management committee then felt it necessary to engage in one of the oldest union-busting tactics imaginable: They sent a personal letter to each of the 650 teachers involved, outlined the proposed contract, and somehow just failed to mention that the negotiators had rejected it. That seems to me to be bad-faith bargaining, if you like, or bad-faith tactics.

A number of the teachers in the school for the deaf, for example, have an additional special year of training. All of the teachers in all of these schools work with students that the regular schools just can't handle. Many of the Thistletown students, for example, are referred to and labelled as "uncontrollable" by the normal school authorities, local school boards.

It is also shameful, if I may say—if the figures are correct—that the hospital schools underspent their budget by $100,000 last year. Now, I'm not one of these free-spenders —I like economy—but this is one area, surely to goodness, where we could be wisely spending a few dollars.

I just want, therefore to, get into the attitude as it has been expressed through—and I say expressed through—the school management committee and Mr. Kinlin, not by him. He is quoted in the Globe of Sept. 19—and we all know that the Globe is an honourable paper even though it has a regular column called Our Mistake—as saying that the government pays "highly competitive salaries but does not intend to lead the way in setting teachers' salaries."

In this special area I think it should lead the way. I think that the spokesman for the groups involved have a very real basis for justification when they say that the government should be paying on a par with the best-paying school boards in order to attract the best available talent for the special education schools. It's ironic that while you as a minister have been making some attempts to work out the teacher-negotiation procedure between local teachers and local boards, there has been a notable lack of that until very recently between the government and the teachers that it employs.

Again and again in the Oct. 3 meeting of the school management committee—meeting No. 55 I believe it is— it comes across in four different places that the school management committee was satisfied that their proposals were "competitive and equitable" and that the committee was prepared to approach the ministries concerned in order to obtain approval from the Management Board. But whenever the teacher representatives asked for consideration, the attitude was simply an arbitrary one.

I am reading from the minutes: "Mr. Kinlin noted that the government is attempting to be competitive with school boards as it relates to personnel in comparable positions." How you define that in the circumstance, I am not quite sure. Therefore, the committee "proposes to put this proposal"—that was the grid and so on—"into effect, unless it can be shown that the proposal is not competitive." Then they say: "OHSTA

and SECTA may submit additional suggestions and/or proposals for improvement, if it can be shown that the current proposal is neither equitable nor competitive." Surely, as I have said before, they should lead, otherwise the rehabilitation or the training of these students is not going to take place.

As I have said, whether this attitude is Mr. Kinlin's or the school management committee's or whether he is just carrying out orders of the government, I think it is basically irrelevant. By its function, the school management committee has caused itself to be suspect amongst some 600 teachers concerned. The important thing is that the education of these children, whether they are retarded, emotionally disturbed, deaf, blind or whatever handicap they suffer, is going to be an essential part of their functioning in our society. It is going to be an essential part of their rehabilitation if they are in correctional services. Unless we can get to them the very best possible education, we are failing. The measure of a government is not how it treats those who have, but how it treats those who have not.

I have visited three or four of these schools, and the conditions, for example, in the Thunder Bay situation in which a number of teachers are working very hard and very sincerely and working their guts out are just deplorable. Classrooms with steampipes running through — the worst possible conditions that you can imagine, conditions that we wouldn't tolerate for a moment in a nice middle-class-suburbia public school.

Now, not everything is dependent on the building. God knows that. We have built enough educational palaces and found them to be failures, but the conditions and the climate must be conducive to learning and there are ways that you can improve those conditions and that climate.

The first step is to recruit and keep in that special service dynamic, dedicated and qualified teachers, and you should do whatever you can do to improve their morale, whether that's improved salaries that lead the province, whether it's improved working conditions—because all of those things will lead to improved learning conditions for the children—whether it's genuine consultation with the leaders of these people, whether it's granting them full and free collective bargaining rights, including the ones that we have talked about in relation to other teachers and including the right to bargain their working conditions, or whether it's associating them as a special unit, because they do not want to belong to the CSAO but want to be associated with one of the federations. I don't see these problems as being insurmountable.

I know there are difficulties, but in some sense your ministry, and in some sense your government, can and will be judged on how you respond to this particular situation. If you fail, then we as a people in this province will have failed, and the rot will set in and the damage that will be done to the kids in these schools will be irreversible. What I am saying to you, Mr. Minister, is there really isn't time to wait to next year. You have to sit down and begin devising that process now.

You have to encourage these people to stay in and, surely to goodness, you can't continue with the attitudes that your ministry has displayed with the special education contract teachers, for example. In September, 1971, the cost of living increased 3.8 per cent; their salary increase was 2.47 per cent. In September, 1972, the cost of living increased 5.27 per cent; salary increase, 0.8 per cent. Wasn't that a magnificent offer that year? September, 1973: cost of living increased 8.58 per cent; salary increased 3.9 per cent. Now the offer, or imposed rate, or whatever you want to call it, in September, 1974: cost of living increased 10.84 per cent; salary increased 10 per cent.

You say, "Look, we are doing things this year," but over the last four years they have lagged behind by 11.33 per cent, when they were already at the lower end of the scale. You surely cannot continue the attitude where those teachers who are new in the school but who have not yet signed their contract at the school for the deaf in London have had their merit increment and their $600 allowance as special education teachers withheld since the beginning of September, in the subtle bit of blackmail that takes place. Whereas the teachers in Milton and Belleville have received it, the teachers in London have not, and they have been told that they won't get it until their contracts are signed.

You simply can't continue with that kind of semi-blackmail, carrot-and-stick attitude, the paternalistic attitude toward this very important area of education. I would very much appreciate it if the minister and his ministry could get into this situation and get it solved before Christmas, and come up with some very real reorganization and some very real commitment to this area of special education in our province.

Thank you, Mr. Chairman.

Hon. Mr. Wells: Mr. Chairman, let me first say, of course, that we have the highest regard for the teachers in all these schools.

They do a magnificent job. They work under trying conditions in some places, such as Thunder Bay, and in places such as Cedar Springs, Palmerston and other schools they work under excellent conditions. We don't provide the facilities; the Ministry of Health and the Ministry of Community and Social Services now provide the physical layout, and we carry on the schools there. Now, there are good facilities, there are bad facilities. They work under excellent facilities in our own schools—in the Robarts school, the Sir James Whitney school, the Ernest Drury school, and so forth.

I think that, historically, as I indicated, when these people ceased to be part of the civil service arrangement of this province, this new kind of structure for handling their employment came about: a school management committee, with each one of them really being in the unclassified staff signing a contract.

I'm not going to stand here and say that that's satisfactory, because obviously it isn't. And, obviously, I wouldn't have suggested already to them that in the next year we're going to set up some procedure to have negotiations where there haven't been any. We have that in mind and that's why I wrote them, and that's what I've indicated we're going to do. We will work these out in a way that I'm sure will be acceptable to all. At least, I certainly hope that it will be.

Now, I don't know what the outcome of the present situation will be. I've heard some of the kind of rumours that my friend has indicated. I understand that some people at the Robarts school have handed in resignations; not to us I might point out, but to their own group.

Mr. Foulds: I think they're just submitting resignations.

Hon. Mr. Wells: And when you mention the principal, that's not the superintendent of the school; there is a superintendent, and an assistant superintendent, and then there are principals. The principal isn't the head of the operation in London.

Mr. Foulds: It is the supervising teacher.

Hon. Mr. Wells: Supervising teachers; yes. The superintendent, Dr. Boyd, of course, hasn't handed in his resignation.

The procedure, insofar as increments and the $600 allowance go, was strictly a communication mixup. I think that's proved by the fact that this was implemented in the two other schools, but somehow our payroll department got the thing mixed up as far as the Robarts school is concerned. It was not done intentionally, and was not intended to be done. I think if we had had the sinister motives that you've indicated, we would have done it at all the schools—which we didn't do. I'm told it was strictly an administrative mixup in our payroll for these departments.

Mr. Foulds: Can I just interrupt you for a moment?

Hon. Mr. Wells: Yes.

Mr. Foulds: What assurance have they of getting that in the very near future?

Hon. Mr. Wells: They have 100 per cent assurance. In fact, I was having some discussions just at noon today about this. We all agree that under existing arrangements—and these, incidentally, apply to school boards across the province. There are a lot of school boards that are still negotiating new contracts after the old contract ended. I think that there's no right for anyone to be paid on any new offer or anything; but teachers are entitled to be paid the increment as of the beginning of September. Now, some boards decided even to pay on the offer they have on the table. Now, that's up to them to do that, but I don't think you can expect that. But you can expect to get the automatic increment paid, and I suppose in this case—

Mr. Foulds: Fair enough.

Hon. Mr. Wells: —they can expect to get our $600 allowance; and that will be taken care of.

In this case the rest of the salary schedule, of course, depends upon the signing of another contract, which is now what is out in the schools. We've got the grid that's been offered this year—which has been arrived at, apart from negotiations—and it is out there now. It's being suggested to people that by signing the contract they can have this new grid.

The question now is whether we can go back and start negotiating for this year. I've got a letter from the president of one of these groups—and I'm going to meet with him shortly. The letter just arrived on Thursday or Friday, and I'm going to meet with him. But the real question now is whether we can go back and negotiate this year. We've already got a suggested grid out on the table for this year, which is comparable to the grids in all the boards across this province. It may not be the leader, but it's certainly among the leaders in the province.

Now, I'm not saying that we shouldn't negotiate it in the future, but the question is whether we can start negotiating now, or whether we've passed the point of no return as far as negotiating for this year is concerned. It's not fair to give any definite answer on that point at this point until I meet with these people. But I point out to you that it is very difficult.

Mr. Foulds: I am telling you, you could just make such an enormous showing of good faith by saying to these people: "Here is the grid that we have established, but in view of the cost of living, and in view of the last four years, we are willing to reopen the contract, so to speak." You would just create such an atmosphere of goodwill, I think, among these teachers that it would be enormously useful and it would be enormously useful for helping to devise the process in the coming year. I know that is difficult and I know the problems that we would face, but it really would be worth it.

Hon. Mr. Wells: I don't know whether my friend realizes, for instance, that in the grid—that's the minima and maxima that are now out—these figures include the $600 allowance. The beginning in category one, for instance, is $6,700, and in Metro Toronto it's $6,300. The minimum in category seven is $10,400, and in Metro Toronto it's $9,900. The maximum in category one is $9,500, and in the Metro Toronto scale it's $9,100. In other words, this grid that is out is at least equal to or above—with the $600—the grids in most of the province.

I am just going to state this though; there is a difference in the length of the grid. If, as you go through it, you take a person at a particular point in time, you may find a difference—and you likely will because our grid may be a little wider or spread out more than the grid in some of these other boards. If you take a specific time—and we were doing this just the other day—you can put your finger on one particular point where, as the member stated, there may be $1,000 difference; you can put your finger on another point where the people in our schools will be $800 above somebody in one of the other school boards.

The only thing I am saying is that having put this kind of an offer—and obviously having suggested it, we can't go back on this offer—it becomes very difficult to start meaningful negotiations.

Mr. Foulds: Just let me point out to you that your grid includes the $600 for the special-education certificate, while the grids that you are comparing to do not. That is, because your grid is based on that factor, you are artificially inflating it at both ends by $600. A starting teacher in Metro, with a special-education certificate, would be getting the $6,300 plus $600, which would be $6,900. So by including that $600 factor in there, you make the grid look better than it in fact is. That is why you can't really do a straight comparison to another "comparable board."

Hon. Mr. Wells: I understand that Metro is doing some phasing out of their special-education allowance. I don't have the details on it so I don't know. As for some of the other boards in this province in areas where our schools may be located, or some of the boards that are leaders, I don't have the information as to whether they have a special-education allowance, whether they pay above their grids.

Mr. Foulds: Those boards hiring special-education teachers do give them that $600, to the best of my knowledge, in addition to the basic salary. That is counted, in most school-board agreements, as an extra certificate. In almost every case it is at least $600 and sometimes as much as $1,000, depending on the local agreement.

Hon. Mr. Wells: I am not sure that that's an absolute rule of thumb across every board in this province.

Mr. Foulds: I would suspect that you could find one or two instances where that doesn't apply. But what I'm saying basically is that the special-education certificate should be treated as an extra certificate above the normal qualifications for a teacher, because it should be a requirement in this situation. You should start your grid at that $600 figure above a comparable figure with an ordinary school board.

Mr. Chairman: The hon. member for Windsor-Walkerville.

Mr. B. Newman (Windsor-Walkerville): There are two items I wanted to raise with the minister in this vote. Surely, Mr. Minister, you are not suggesting that the ministry is going to develop a greatly expanded grid, one that might include requiring an individual to work 14 years to obtain the maximum, when boards of education now are negotiating with teachers for the condensation of that grid? In fact, one of the boards I know is interested in eventually condensing it to five years.

Hon. Mr. Wells: I don't recall ever saying that. I didn't say that we were going to develop an expanded grid.

Mr. B. Newman: I thought I understood you to make mention of that when you were talking about the grid in relation to the special education teachers in the instances involved.

The next item that I want to mention, Mr. Minister, is, are you prepared to completely fund the special education programmes for the blind and the deaf and the hard-of-hearing that are conducted in the Toronto schools?

Hon. Mr. Wells: That is part of the submission of the Metropolitan Toronto school board to us, insofar as working out this year's weighting factors and grants and so forth goes, and it is being considered in that light.

Mr. B. Newman: Thank you.

Mr. Chairman: Is there any further comment on items 4, 5 and 6? Shall they carry? Carried. Item 7? Carried. Item 8?

Mr. B. Newman: On item 8.

Mr. Chairman: The member for Windsor-Walkerville.

Mr. B. Newman: Mr. Chairman, I wanted to ask the minister why the ministry didn't follow the recommendations of the interim report concerning the cost of education, referring to establishing teacher education as part of the educational system in the universities, rather than making the exception in the case of Hamilton and Toronto? One would have thought that in the case of Hamilton that could have been put very easily into McMaster, and in the case of Toronto it could have been put into the University of Toronto or some other university in the community. To keep the responsibility for teacher education separate only in the two instances seems to be contrary to the recommendations of the original report.

Hon. Mr. Wells: That is quite right, Mr. Chairman. The original report was not the interim report of the committee on the costs of education, of course. The original report was the McLeod report, which indicated, after much study, the future direction of teacher education in this province, and it set out what it thought should be some of the guidelines. A couple of the recommendations of that report—which was, as my friend knows, headed by the gentleman who later became director of education in the city of Windsor—were that all teachers should have BA degrees; that that should be a requirement for admission to teacher-training facilities; and that teacher training should be carried on in the university setting, rather than as we had been doing it. There were a lot of other recommendations, but those were a couple of the basic ones.

The government embarked on a programme to implement that report and various teachers' colleges were integrated with university facilities. This went on, then it paused for a while as we took a look—in the years 1971-1972—at what was happening, we reviewed it again, because there were changes in directions and there were changes in thinking by some people. We then proceeded to continue the implementation of that report by phasing out some of our colleges and by integrating the others with other university facilities, to basically implement the McLeod report.

However, in considering the final phase, which had to do with the four remaining teachers' colleges that we had—Sudbury, Ottawa, Hamilton and Toronto—this last year, and after much study it became obvious that perhaps we shouldn't, to put it colloquially, put all our eggs in one basket, and we shouldn't completely have one model for teacher education, and that is the university model, but having established and developed over the years our own teachers' colleges, maybe we should upgrade them, we should keep a couple of them as a different model in order to have a competing system for teacher education, one which was under the ministry, a completely different model from the university model, and one to which we could attach an advisory committee. We could move in an innovative way, perhaps, and in different ways than the university model would be able to move.

I think, personally, there is great merit in this. I was one of the supporters of this move, because I felt that we have the university faculties and schools of education across this province; we have good ones. We now have the Ontario teacher education college, with campuses in Hamilton and Toronto; and they are also competing institutions.

I think our thoughts and our feelings and our hopes for these institutions have been justified. They have, in fact, shown increased enrolment in Toronto and in Hamilton since we announced the programme last spring, whereas they had been showing declining enrolments for quite a number of years. Now, in spite of the fact that you pay the same fees and you are required to have the same academic qualifications for admittance, we

have increased enrolment in these two institutions this year in competition with the university teacher-training facilities.

We are going to, of course, monitor the whole thing very carefully in the next few years, but it certainly was very popular with the staff in these institutions. In the case of Hamilton, they had done quite a survey and had conducted a lot of research to develop innovative programmes that they could offer in teacher training. They are now in the process of implementing the new directions that they wanted to put in. So, I really think that we have done the right thing in this particular area.

Mr. Chairman: The hon. member for Nipissing.

Mr. R. S. Smith (Nipissing): I have just one question. It appears, then, from what you said, Mr. Minister, that the provision of teacher training to the French language sector will remain directly under your ministry and will not move to the universities. Did you not mention that Sudbury and Ottawa would both remain under the ministry? Is that not what you said?

Hon. Mr. Wells: No, I am sorry; I got off on the other direction in talking about Toronto and Hamilton.

With the remaining two, Sudbury was transferred to Laurentian University and is now part of the faculty of education in Laurentian, and that is a French language teacher training institution. Ottawa was an English language teacher training institution, and it has now gone to the University of Ottawa. There are two separate divisions in the faculty of education, one training English language teachers and one training French language teachers. So, actually, the French language programme is all in universities.

Mr. R. S. Smith: All in universities? But from what you said, though, prior to that you indicated that those four had been left—

Hon. Mr. Wells: No, I am sorry—at the beginning of last year the four had still not been integrated. When I announced the next to the final phase of integration a year ago, we had still left those four. As a matter of fact, I had announced a year ago that Sudbury was to go with Laurentian, but the details took a long time to work out—so they, in fact, really didn't go there until just this year.

Mr. Chairman: The hon. member for Port Arthur.

Mr. Foulds: Mr. Chairman, just one question of the minister. The report that the minister mentioned in reply to my colleague from Windsor, was that the McLeod committee report you are talking about—the minister's committee on the training of elementary school teachers in 1966?

Hon. Mr. Wells: Yes.

Mr. Foulds: Thank you. And it was that committee, if I recall correctly, that recommended that elementary school teachers eventually have a university degree. Thank you.

Just some very brief thoughts—and I don't pretend to have them in as coherent an order as I would like to have them, Mr. Chairman. It seems to me that teacher training is one of the fundamental areas at which we need to take a very serious look, because it seems to me that that is the key to our educational system in the province. And, in my brief history of the slings and arrows of outrageous fortune that have been visited upon the school system and teachers and administrators since the 1950s, I did fail to comment to any great degree in my opening remarks on the teacher-training programmes.

You will recall that back in the 1950s Ontario hadn't been preoccupied with education—contrary to the title of Gerry Fleming's book—and it really hadn't planned for the explosion. Two new routes to teaching were opened up and both of them could be entered by grade 12 students. In many cases, unfortunately, some of those students couldn't have obtained grade 13 at the time. One of those involved the direct route to the normal schools or teachers' colleges, and the other involved the route to summer courses and practice teaching. The major objective was to recruit people, because of the acute shortage of teachers, and I would say the major result was that it recruited a number of people with lower achievement and ability.

Fortunately, in 1961 and later, in 1966, both of those two programmes were abolished and you came up with the report you mentioned earlier. Now you're moving in the direction of requiring elementary teachers to have university degrees, and that is possible because by 1973-1974 the shortage had turned into a surplus.

I suppose what I want to say, though, is that among those who experienced those programmes and are still in teaching, or who experienced the crash programmes that I myself was subjected to—although my experience in the summer school programme was a much happier one, I must say—a number of

the teachers, the principals, the schools that received those teachers and the people teaching in the special summer courses, feel that the courses left a great deal to be desired if they weren't a farce.

I think it is important that we really examine what we are doing in our teacher-training institutions today, because the whole growth and knowledge in the post-war period has meant that no longer could we devise curricula that would last a generation. As a matter of fact, one of the reasons for the change to the guidelines and the cyclical review was that there is a necessity for changing content and curricula. But to do that we must have better trained teachers who have the time and the background to adapt those programmes and adopt new ones, and we have to do a lot more in terms of examining the psychological findings with regard to the learning process. Teachers have to be trained in recognizing that kind of fallout.

They have to be trained in the simple mechanics of using teaching aids much more than they ever did before. You don't know what a breakthrough it was for me to learn how to run a projector. Every teacher now has to know how to run a slide projector, a record player and all those things. It only takes aout thr-e hours of actual learning and practice, but those kind of things are very real and they have to be considered.

I think it's fair to say that in the immediate post-war years, and even into the 1950s, most teachers simply copied uncritically the patterm of teaching of their own school-days. I think that some of that is valuable, but a lot of it was inadequate. The ministry has made efforts in this regard, as have some school boards and the federations, but one of the problems we face is that the least qualified teachers are sometimes also those least interested in upgrading their qualifications.

I suppose it's hindsight but one of the criticisms that can be laid against education of the Fifties is that the response was a genuine response but it wasn't in the right direction. It may be that some of the ills we are now suffering could have been avoided if, during the Fifties. salaries, working conditions and so on could have been improved to lure people into the teaching profession.

It is not that long ago—in 1958, for example —that a fully qualified high school teacher with eight to 10 years' experience would be earning the magnificent salary of $4,000 to $4,200. As I say. that is hindsight. I mention that because I think we are in a similar kind of crisis period with regard to teacher training today. We are facing a surplus. What can we best do to use those people to upgrade themselves and to upgrade our educational system?

I was very pleased that some intitative was taken on teacher training for native peoples, but what bothered me about the initiative that you took was that it was an exact replica of the initiatives taken in the 1950s. If we are going to do something with teaching training for our native peoples, we have got to do something more than crash emergency programmes.

As I said one time before, we seem to be responding because we are speeding into the future with our eyes firmly fixed on the rear-view mirror. You saw this nice pattern of summer schools for an emergency situation in the 1950s and you adopt it in the 1970s. Please, please, please, that cannot and must not be your only response to the training of native peoples for teaching of native peoples in our province. Somehow you have to work in those special programmes in the permanent courses or get some kind of imaginative new proposals that would be ongoing and more fruitful.

I don't pretend to have any magic answers in this area. I do think that we cannot afford to assume the old adage that a good teacher is born and not made. That is absolute poppycock. It is just like saying a good surgeon is born and not made. Maybe the inherent understanding, sympathy and skill have to be there but, boy, can that be exploited and developed by proper training. We would no more send a heart surgeon or a neurosurgeon into practice after a year or two or even four years of training without some very special skill. The skill in teaching, whether it is with emotionally disturbed kids or regular kids or advanced kids or blind kids, is a very delicate process we are taking part in. Somehow that competency in a teacher doesn't descend upon them as an inspiration from out of the skies.

I have just one suggestion that has often been one of my favourites. I don't know how it could work or whether it would be effective but I throw it out for some consideration. Perhaps at a time when we are not facing a teacher shortage we should seriously consider that people who graduate from teaching training institutions be not rushed into a full timetable of teaching in that very first important year of teaching. Maybe that year should be considered much more as a kind of internship where you have them teaching independently only half of the time while the rest of the time could be supplemented by working with other teachers, with a

master teacher, if you like, or working somewhere else perhaps in their own field of specialization, perhaps doing some educational research at the same time associated with a university or school. Perhaps if they did it within the school itself it would serve the purpose of removing some of the educational research from the rarified air of most of the projects originating from OISE.

Perhaps some of their experience could be under supervision, such as the teaching of community classes of adults in their own particular subject.

Somehow I think that in the whole teacher-training process and the whole teaching experience we have to avoid the cradle-to-the-grave syndrome. I'm not one of those who believe the real world is out there on Bay St. or in the mines; I think that every world is a real world, and that the school is just as real a world as the business world. But no area needs a perspective more than the school world.

The experience that a teacher can bring from outside of his profession can sometimes be the most valuable experience in the classroom. I think that we should avoid tying a person in to the business of going through a school system—starting off at age four or five nowadays—through to finishing university and teacher training and then going right back into the school and staying there for the rest of his life. We must adopt plans where he can have other kinds of experience outside of the teaching profession, or experiences to supplement it.

Perhaps there should be an alternative-work sabbatical where the board and the ministry could work together on a plan to pay the salary shortfall for a teacher who took leave for an alternate job for a year, as well as the regular kind of sabbaticals.

Perhaps we should look at the possibility of having teachers have some experience, either immediately before graduation or immediately after graduation, outside of the school systems before they go into teaching.

Thank you, Mr. Chairman.

Mr. Chairman: The hon. member for St. George.

Mrs. M. Campbell (St. George): Mr. Chairman, I just want to ask a few questions first on the matter of the statement of the minister with reference to the early-learning programme of children, and secondly as to just what the ministry is doing in teacher education as it relates to that programme. There is a great deal of concern, as the minister I'm sure knows, among those who have been involved in this kind of a programme that we may not be getting the same sort of qualified education for teachers in this field as has been undertaken in the past. Certainly there is concern as to what the role of the community college graduate is going to be in this area. if any, in view of the regulations as they apply to day care, if, as and when those regulations should be brought into being.

Could the minister answer that? If you recognize the importance of the early years of a child's education it seems strange that one does it in this ministry and not in the rest of the government ministries. If it is recognized here I should like to know to what extent. Thank you, Mr. Chairman.

Hon. Mr. Wells: Mr. Chairman, the answer is, of course, that we do have a primary-specialist certificate programme at both our Ontario College of Education campuses at Toronto and Hamilton. There is also one in Ottawa, and there is one this year at Lakeshore for the primary specialist's certificate.

The whole question of community college graduates in early childhood education has been the subject of a research programme that's been going on. On letters of permission we've allowed about a dozen of them to be employed by various boards and they are working along with regular teachers in the area of junior kintergartens. Up to this date we have not made any change in our regulations that would make way for early-childhood education people to be taken on the school system as certified teachers.

Mrs. Campbell: Excuse me, I think there is a confusion in terms. Mr. Chairman, there are the early learning teachers who are teachers and qualified for that purpose. My concern is what is this ministry doing to ensure ongoing education for those teachers for their role in the educational process?

Hon. Mr. Wells: You're talking about the teachers who are out in the schools right now?

Mrs. Campbell: That's right.

Hon. Mr. Wells: There are continuing summer courses and winter courses operated by the ministry and by the school boards themselves in these particular areas. The universities, I imagine, offer courses. There are various ways that these people can keep themselves abreast of the developments and keep ahead. Their own associations offer these courses.

Specifically from our point of view, we will be bringing out the whole primary junior package of curriculum material, the new package, which will contain a whole group of things that will be of assistance to these people. There will be the curriculum P1J1 which will explain in very easily understood terms just exactly in general terms what the schools should be developing in teaching for each clahs in a general way in the primary and junior area.

There will be a book called "Education in the Primary and Junior Division," which is quite an extensive book developed on teaching methods and philosophy of teaching in this particular area. Then there will be some how to do it books that will supplement these in the primary and junior division. These will all be out in the new year.

Coupled with this will be an implementation programme to help develop in-service workshops and programmes in the various school areas so that the teachers can get this material, learn about it, learn how to use it, find out how it can be adapted to them and so forth. Our regional office people will be working with them to do this. There will be a whole implementation programme when this new primary junior programme is all ready and distributed to the teachers.

Mrs. Campbell: Mr. Chairman, could I know to what extent those who have, for instance, their degrees not only in Ontario but who have gone to say, Columbia, and are now regarded as among the top-flight people on this continent in the early learning programme, have been consulted about this material that is being developed by your ministry? Or is it someone who has no knowledge of the field who is developing the material to teach them what to do?

I still don't see that what you are saying is giving me any comfort or relief from my concern about the fact that you don't seem to be bringing forward a programme for teaching just such teachers.

Hon. Mr. Wells: I'm not just sure exactly what the hon. member means. Groups like the Institute of Child Study and all kinds of people who are acknowledged experts in the area of early childhood education, the primary education people, here in this province, and other jurisdictions and in the United Kingdom, have all been involved in the whole process of developing these new booklets and information that we are putting out. They will be involved in the implementation of the programmes.

We have some very excellent people in this very province in this particular area and they have all been involved in them. It will be their task then to take the materials and implement them. Don't forget that we as a ministry bring out broad guidelines and statements of general policy, the details of which have to be implemented by the local teachers working in the local school boards. That's the whole essence of our system of local autonomy for boards today. We don't tell everybody exactly what to do. We give them the broad guidelines. We give them the support service. Then they get together and develop the programmes. The people at the Toronto board I know are competent to do this and are indeed doing it. I don't have any hesitation or any doubt that they will be able to. In fact, I'm sure they are doing these things now. They are developing some of the best programmes they can for early childhood education for the people in the junior kindergarten and kindergarten programmes.

Mr. Chairman: The hon. member for Yorkview.

Mr. F. Young (Yorkview): Mr. Chairman, in some of the material that came to my desk recently, there was this sentence:

> The Addiction Research Foundation is working with the Ontario boards of education in developing such material for schools and in training teachers to deliver the material.

This was referring, of course, to the problem which we face in connection with the misuse of alcohol in our society. Here this afternoon I don't want to repeat some of the figures that I have placed on record recently in connection with this. I simply want to underline the problem and to ask the minister what progress is being made in the training of teachers to handle this problem in the schoolroom.

There is no question that in recent years, particularly since the lowering of the voting age and the drinking age, the age of majority, that this problem has skyrocketed in importance in our society. We have figures showing how teenagers, particularly, have been killing themselves off at an accelerating rate on the highway; how they are drinking much much more than they were before; and how this whole problem has become one of very great concern, I think, to everyone of us in this House and across the province.

Just today in the Addiction Research Foundation report, "The Journal," I read a

statement by Dr. J. Robertson Unwin, who is the director of the Memorial Institute of Psychiatry in Montreal. He says:

> Most alarming is the steep increase in the use of alcohol by high school students. At present more than one per cent of 16-year-old Toronto high school students are chronic alcoholics.

Well, if this is the case, then we are facing some real trouble. And if we are to meet this problem head on, then there are several things that must be done. Again, I am not going to outline them here; I made some suggestions in the budget speech a week ago.

But one of the things that I think research has shown is, that if we are going to reduce the number of alcoholics, with all the attendant problems, and if we are going to reduce the number of tragic occurrences on the highways that are alcohol-related, then the total volume of consumption of alcohol must go down. In other words, we must find some way by which we reduce the consumption of alcohol in our society.

Now, I don't think anybody has the final answers on how that can be done. But I think people agree on this: that if it is to be done, then there is a major place for education in this field in our school system. Not only a place, but the whole process of education in this field must be stepped up dramatically from the very early grades up until high school. And not only in persuading the young people about the misuse of alcohol and what it will do in a health fashion, and all the rest of it, but also instilling in them some sense of social responsibility that they cannot possibly slide behind the wheel of a car and drive after they have been imbibing a little bit too freely.

I think that the thing that has to be done is to change the attitude of our young people in schools, and that is a major problem in view of the advertising that is going on right across the board in all the media. And I am not going to speak about that today; perhaps we can have a debate about that at another place. But this is the job.

But before this process can adequately take place, Mr. Chairman, the teachers concerned must understand the problem thoroughly and must be committed to the process of conveying to the young people in the school system the dangers involved. They must also be committed to the problem of changing their sense of responsibility and their whole attitude to this whole thing, which has become so respectable in our society.

There is no question that when we take the two things, driving and the drinking—both of which are legal—and put them together, then we are in trouble. We are in trouble not only there, but in so many other fields where disease increases as the result of this kind of abuse of a perfectly legal function in our society builds up.

I wonder, Mr. Chairman, if the minister could spend a little while in telling us exactly what the plans are in his department for meeting head on this particular problem which we face today and which is threatening the very fabric of our society? Certainly the teachers need the training, fundamentally —I think this is a thing that researchers agree upon—so that they know when they go to the schoolroom what needs to be done and what should be done. Of course, in addition to that there must be the curriculum which they will teach and the kind of attitude outlined which they are to instill in the young people that they serve. I wonder if the minister could comment on this.

Hon. Mr. Wells: Mr. Chairman, I would be happy to comment on it, because I think this is a very important problem and I suppose many of my views coincide with those of the hon. member. I would just like to tell him that we have a person in our supervisory services branch who is working constantly and regularly with the addiction research people in order to make sure that our school programmes and the information that is used in them—and this subject is taught throughout the various health programmes—is up to date and it's factual and it's helpful. Backing this up, there is a programme in the teacher educational institutions to help teachers give leadership in teaching this particular subject.

But I must point out to you, of course, that what we can do in the schools is that we can teach the facts, the true facts, about alcoholism, and the harm that can come from abusive use of alcohol, of drugs, of smoking and so forth. But in order to be credible, and I think my friend knows this, the schools can't resort to the old scare tactics that we used 20 or 30 years ago. It just doesn't wash with the kids and you do more harm than you do good. So you have to be able to present the information in a factual way.

How they use that information, of course, is really the concern that you and I have, and I am not so sure that the schools can answer that particular question. This is what worries me. The schools can present that information and they leave it to that person to make the choice. Part of that choice has

got to be tied up in the value judgements that that young person has.

Therefore, as an extension of this, I see as an important part of the school curriculum the teaching of values. This is something which some people disagree with. They say, "Oh, yes, the schools should teach about alcohol and drugs and smoking and about VD and everything else, but we don't want the school interfering in the area of teaching about values." Yet it's the way that you develop your attitude and your values that sometimes decides what you do about these problem areas, once you have all the information about them.

It still, of course, rests very greatly with the home and the kind of direction and influence that a child gets from the home and his church and other areas as to how he handles these problems. We just can't slough the whole problem off on the school and let the school be the one that can provide the complete answer to all these problems, because it just isn't possible.

The other thing is that in this particular area a lot of the attitudes our young people develop also come about because of the general mores of society. I realize the hon. member didn't want to talk about some of the other areas, so I am just going to touch on some of them. I don't think we should have any liquor or beer advertising appearing on television. The school can do all kinds of good things, and that is all wiped out by the kind of beer advertising that we see on television, because that's what sticks in a person's mind. They see that—

Mr. R. S. Smith: It's liberal laws.

Hon. Mr. Wells: —happy-go-lucky attitude. If my recollection is right, we don't have smoking advertising on television any more, do we?

Mr. Young: The newspapers make up for it.

An hon. member: They allow it in schools.

Hon. Mr. Wells: They allow it in schools. Well I certainly am not one who would suggest that there should be smoking rooms in the schools. I think that that's one particular little place where trustees and teachers and principals have to take a stand. No one is saying that one has to stop smoking by a government decree, but having outlined the real dangers that smoking can cause, I don't think we should make it easier for people to smoke in that particular situation.

But I suppose it becomes difficult—the same as parents trying to tell their child not to smoke as they light up another cigarette in the living room. That's the really difficult part. But I think we should also attack this problem in areas where general acceptance is built up, such as in television advertising, and in areas where it looks like the thing to do to be friendly, to be popular, to be part of the gang that you've got to get in with these various things. That's what a lot of the television advertising does, either directly or indirectly, and that's the kind of impression I'm sure it has on the minds of young people. That kind of thing can nullify a whole school programme where a teacher, in a very conscientious way, is trying to very factually outline the problems.

In the area of smoking there's just no question—and I said this when I was Minister of Health—that we should get rid of all cigarette advertising. I'm not saying we should ban cigarettes, but we should get rid of all cigarette advertising, because there's just no question that cigarette smoking can have a serious health effect, be it cancer or some other kind of disease of the lungs. Everyone talks about putting the emphasis on preventive medicine, and here's one of the easiest places you can start—and nobody wants to do it.

That's one of the areas in which I think we can do more. And while the school can do a certain part of the job, it can only do a part of the job; and that part is to impart the information in a true and factual way and try to give young persons that information so that they have it. But they need a lot of other things to help them make up their minds not to use these various things which can bring them harm in the rest of their lives.

Mr. Young: Mr. Chairman, I am very pleased the minister expanded on what I started to say. I was a little afraid that you might cut me off if I started talking about advertising, but since the minister has, I can only say that I thoroughly agree with him and advocated a week ago Friday in this place that this should be done in terms of all advertising of this nature. Before that, of course, I have advocated that all cigarette advertising of any kind should be banned.

More than that, I think we should move forward from that and do a positive job in advertising in the media, particularly on television, to show exactly the results of this kind of abuse. I would hope that's the kind of thing which governments across the country are thinking about. Marc Lalonde started

the thing a while ago and indicated that he was looking at this advertising with a jaundiced eye; then, of course, he took a trip to Europe with his friend, the brewer. I'm not sure that those two things entirely coincide. However, progress may be being made.

The thing that strikes me, though, is that we have been talking about this for a great many years in the schools—certainly when I went to school we had a bit of information given us about these things—but not in as positive a way as I think should have happened. There's no question that even though the presentation may be factual and fairly strong, as the minister said, it can be partly nullified by the kind of propaganda that comes from the tube and other sources.

It looks as if we have a long tough struggle here, but it's one we've got to embark upon and for which we have to allocate far more resources than we have been willing to do up to this particular point in time. I would hope that the minister, in his discussions with his cabinet colleagues, is pushing this total idea that we ought to be at least setting some example.

Perhaps the first example that ought to be set, since we are approaching Christmas is that non-alcoholic punch should be served at functions of government to show people that we mean business about this whole matter of pushing back the tide a bit. It might not be conducive to the same good times we have seen in some of our government functions, but it might have some merit.

No less than a judge in this province—we were discussing this on an aircraft a few days ago—felt that one of the things that governments could do would be to set that kind of example. He is up against this problem daily in his court, and he thinks that governments sought to start to do the kind of things which would be dramatic and which would set forth to the people of the province that they are really serious about turning back this whole trend we are seeing toward much much greater consumption of alcohol and the misuse of alcohol in our society. Maybe that's an idea that the minister could take to his cabinet colleagues.

I am delighted that some progress is being made, but I would hope that more could be done through the educational system. Then perhaps these other things can come along at the same time to do the total job that must be done.

Mr. Chairman: The hon. member for Nipissing.

Mr. R. S. Smith: My question is on the next vote, I am sorry, Mr. Chairman.

Mr. Chairman: The hon. member for Windsor-Walkerville.

Mr. B. Newman: Thank you, Mr. Chairman. I was very pleased to hear the minister's comments concerning smoking in the schools and smoking generally. The public expect the teacher to take care of their child and correct all of the faults that the child may have, plus overcome a lot of the bad habits the child may have, in the 5½ hours in which the child is exposed to the educational system, whereas the child is at home for possibly 12 hours a day.

In the school system you can teach the child the evils, the faults, and the disadvantages of smoking. Yet that same child, being brainwashed in school, comes home and sees dad and mom light up a cigarette in spite of all of that. It makes it extremely difficult for the school system to overcome the bad habits that the child does have at home. However, I think that the minister could possibly recommend to the schools that there be no smoking in any of the schools as far as the students are concerned. Even if you do that, then the students walk down the corridor, open the teachers' room door and see the smoke just pouring out of there. You practically have to cut your way down the corridor with a knife because the smoke is so dense.

I don't think the solution to the problem is very, very simple. In fact, I would think it would be extremely complicated. If we legislated and said that one shouldn't smoke, then there are always those who would like to come along and take advantage of the system and smoke. You come into a school where they make mention that there is no smoking and you have got the washrooms into which the students will go and hide and smoke in spite of any type of regulation in the school system.

Rather than talk on that, since smoking is only one of the minor evils, if you want to call it an evil, that the student is exposed to, I think a lot of the hard drugs that are readily available in certain communities makes it extremely difficult for a teacher to attempt to point out the dangers that one is exposed to when he becomes involved with the use of any of the hard drugs. Health education does attempt in most schools to advise the student of some of the dangers be can be confronted with if he gets involved with the use of some of the various types of narcotics, including alcohol and smoking.

I can't foresee the problem being overcome in the school system. I can simply see the schools adding to the general information and hoping that an informed parent, as well as an informed citizenry, will see the hazards and the difficulties that one will eventually be confronted with if he becomes too interested in the consumption of alcohol — I shouldn't say the consumption—the abuse of alcohol and likewise the abuse of tobacco and other types of drugs on the open market.

I wanted to ask the minister if he is considering the use of an apprenticeship programme for teachers on an experimental basis. Rather than actually put the teacher into a college of education, put him right in a school for a full year or so as an apprentice in teacher education.

Hon. Mr. Wells: I am told it is one of the things that is being looked at over the long haul. It was done a few years ago in one of the school jurisdictions, but it didn't take hold and it vanished after a few years. It apparently didn't work out.

I think that a mixture of that programme is coming in. The innovative thing that the Hamilton campus of the Ontario College of Education is doing is not quite that, but it is very close to that. In other words, the old idea of the teacher just being out in the schools for a week here and a week there is going, and they are going in either two days a week all the time, or for every other week. All these kinds of innovative programmes are taking place now. There are a lot of these kinds of arrangements being done, but they are not just completely neglecting being part of some teacher education college.

Can I revert to your other comments? I just thought that you would like to know this, as I know my friend from Windsor-Walkerville is very interested in this because his daughter has played a big part in the programme at the Ontario Athletic Leadership Camp: I am told that we don't allow smoking up there and it has presented no problems over the summer that nobody can smoke at the course or on the staff, and nobody has complained about it.

Mr. B. Newman: May I suggest to the minister that he talk to his cabinet colleague and ban the sale of cigarettes in hospitals?

Hon. Mr. Wells: It is not in our jurisdiction.

Mr. B. Newman: Well, suggest it to your colleague.

Hon. J. W. Snow (Minister of Government Services): It is done in some hospitals.

Mr. Chairman: The hon. member for Port Arthur.

Mr. Foulds: Yes, Mr. Chairman, I just wonder if the minister could tell me how many of the 85 Indians attending the special native-teacher training got jobs? I certainly would appreciate the minister indicating to the House any future plans that the ministry has in this area and whether or not it intends to make this a regular feature of teacher training or courses in the province.

Hon. Mr. Wells: Not at the present time. This was done as a special programme. The first part took place this last summer, the next part will take place next summer, and in the interval they are now out teaching and they are being very carefully monitored

I understand what we are trying to do now is to make arrangements for the person who acted as principal of the course to get leave of absence from his present job. He was on our staff at the Ottawa Teachers' College; he is now at the University of Ottawa. We are trying to get him freed up so that he can go around and visit all these people and be of assistance to them during their year out now. But they are being assisted, of course, in the various areas where they are working.

From the 96 people who completed the course, I am told that 48 had positions as teachers when this report was done, 16 were being interviewed for teaching positions—I would assume we should know by now whether they got those positions or not; we haven't got that information, however 12 had positions as social counsellors, 11 had positions as teacher assistants, and nine were returning to university.

Mr. Foulds: Could we just follow this a little further? Do you have any long-range plans, because surely this meets only part of the immediate need? Have you any long-range plans? Surely your ministry should be working on long-range plans to encourage native people to take up teacher training to meet the continuing growth, hopefully, of the education of native people, in northern Ontario in particular? What are you doing to encourage them to come in?

Hon. Mr. Wells: The long-range plan, of course, is that these people will be able to come into the regular programme. They haven't been able to come into the regular programme because there haven't been enough of them with BA degrees. As my

friend knows, the Ontario Teachers' Federation and my ministry and myself had a difference of opinion over this particular programme.

Mr. Foulds: And good for you for winning out.

Hon. Mr. Wells: They felt we shouldn't do it and I felt we should. I think we were justified in doing this, still emphasizing our basic policy of asking for a BA, but in this particular area it was obvious we were not going to get native people in. So we are getting them in through this programme.

We haven't a plan to duplicate this programme. We are just running this one now, and then we are looking at other ways that we can encourage native peoples to come into the regular programme. As this one is ongoing we will have to be very carefully monitoring it to find out. I quite agree with you that we must have a number of these people coming in, both to teach the native peoples in various areas, and also to help bridge that gap, particularly in a lot of parts of Ontario where there is a mix, so that the others will have a better understanding of the native peoples, their cultures and so forth. Of course, there are other parts of that programme, including the new curriculum guideline and other details in the area of teaching about the native peoples, and these things are being developed.

Mr. Foulds: It is, Mr. Chairman, an area of particular interest to me. I would gather then that you are monitoring not only those who have full teaching jobs and those who are teaching assistants but those who went into the social counselling. It might be particularly interesting to keep in touch with those who return to university, because that seems to me to be the most fruitful route.

Hon. Mr. Wells: We have to keep in touch with them all. For instance, as I understood it, part of the programme was that you would take your summer course and then you would in fact be an apprentice, out there teaching, but you would be learning as you taught in the year in between. Now, those who are acting as social counsellors obviously are not fulfilling that part of the programme, so I don't know what is going to happen. They will be getting some limited teaching experience but they will be monitored. Hopefully they will come back and take the course next summer; then they will have to be assessed to see where they stand in relation to being certified with those who were teaching full-time.

Some of the criticism of this programme has been that you are asking these people to go a special route which doesn't require a BA; you are putting them into a school system and they therefore become second-class citizens. That, of course, is not so because that school system you're putting them into, although we are now asking for a BA for admission to teaching training, has about 70 per cent of teachers who do not have BAs now. They are going in with a lot of other people who are working towards their BA, and these people of course have the same opportunities open to them to take any degree extramurally through universities and so forth as they teach. That's really the avenue we have opened up for them.

So they do not become second-class citizens, insofar as they fit into the school system. They come in with all their fellow elementary teachers who do not have a BA at the present time.

Mr. Chairman: Shall item 8 carry? Item 8 agreed to. On item 9, the hon. member for Nipissing.

Mr. R. S. Smith: Mr. Chairman, I just have a few comments and questions in regard to the Gillin report. I understand it was commented on under curriculum development, so my comments will be rather short, but it could come under curriculum services as well.

I would just like to say to the minister that when that commission was appointed I felt, as many others did in the Legislature, that there could have been five or six people from the Legislature go over and sit in the corner and write the report that he got after this high-powered commission sat for some length of time and brought in its recommendations, because the recommendations that he brought in are particularly obvious to any person who has been involved in that part of the province where French-language instruction has been given, particularly to the English-speaking children and to those of French language solely in the French milieu. The recommendations of the report certainly were not startling; they just reaffirmed what most people believed to be the case and what had to be done in the province if, in fact, we were to give an opportunity for the English-speaking young people of our province to become bilingual.

The fact that immersion at a young age is the only way to instruct English-speaking children in French has been obvious for some years. Any of us who come from an area where that type of instruction is avail-

able, and who have taken advantage of it for their children, certainly realize that that is the way. So the committee report itself was really nothing that needed to be done at all. The people within the ministry I'm sure, could have figured that out themselves if they had any input or any idea of what is going on in French-language instruction across the province.

The sorry part of it though, the facts, are that in this province, outside of a certain few areas, French-language instruction has been decreasing rather than increasing and it's considered almost a thrill for those boards which have it, whether they be in the separate or the public system. It was one of the first things to go when the crunch came a couple of years ago. In the city of Toronto, for example, we had a cut-back in French-language instruction rather than a continual increase toward a programme that would be useful.

There are some specific questions I would like to ask the minister in regard to the report. One of the recommendations is that a centre be established in a French milieu within the province for an immersion course. I presume that it's for instructors who then go into the English-language system and provide the French-language instruction on a very wide or broad scale. I would like to ask the minister what consideration has been given to that recommendation; and if in fact the areas of the province where such a school or institution could be established have been looked at.

Obviously there are very few areas where French language is used to the extent that it is the language of common usage and where people would be able to live in a French milieu within this province. I certainly would hope that it's not being considered to develop such a centre outside the province. So that leaves as possibilities part of the area that I live in, where it could be established, which would be the most central part of the province; and then perhaps some areas in the eastern section of the province, which would not be quite so central for use by most people of the province.

I know representations have been made to the ministry by a group of people from the west part of my area, which is 90 per cent French-speaking and where a French milieu is the way of life. It is perhaps the only area in northeastern Ontario where that is, in fact, the case. The only other area may well be the far eastern part of the province.

I would like the minister's comments on that.

Hon. Mr. Wells: Mr. Chairman, that's being studied along with the other recommendations. I can't really comment any further than that.

The only thing I can say, as I said the other day, is that I suppose it's very easy to say we shouldn't even consider anything outside of this province. I can think of a few good reasons and I can think of a few negative reasons. I can think of a few good reasons why you could make a case for something outside of this province, actually, for that kind of a situation.

I just didn't want to leave you with the impression that we perhaps should only consider places within this province. I think, as I indicated Friday to my friend, we have a very successful immersion course for those teaching French to anglophone students that is conducted every summer in Compton, Que.

Mr. R. S. Smith: Okay. Perhaps you could provide me with those good reasons for places outside the province which should be considered, rather than a place that is of equal—

Hon. Mr. Wells: The good reasons are for that very reason, that part of the whole emphasis, part of the emphasis of teaching French in our schools, is because it's beneficial to learn a second language yes, but also because in some unique way, and really not in some unique way but in a unique way, we're talking about French to English people in this province because this is part of the fact of Canada. It's going to help to unify Canada to have these two languages taught.

The Province of Quebec can provide a very unique opportunity to have that kind of a situation, and indeed we're putting emphasis on exchange programmes for students, exchange programmes for teachers and all kinds of other programmes. Our people have found that conducting an immersion course for teachers in Compton, Que., has been a very beneficial thing.

That's one of the positive sides. You can take issue with that if you wish, but I think there are some very good reasons why that can be very beneficial.

Now, on the negative side, of course, is the fact that if we were to set up an immersion centre such as this, I expect that the people of this province might expect that we should establish it within the province—and that also would be a real possibility. It could be done, and there are reasons why it could be done in that way. It could be done and still done within the French milieu.

Mr. R. S. Smith: The fact of the matter is that your instruction within Quebec has been successful, because it has been within the French milieu. Now, that is the whole point and that is why it has been successful. Certainly, your immersion course up on Bloor St. has not been so successful, because you are not in a French milieu—whereas the one in Quebec has been successful because of that.

I am suggesting to you that there are areas in this province that are just as much a French milieu as you will find in the Province of Quebec. Although the franco-Ontarian might have a different attitude on some matters, he is still of French extraction and is much different, in many ways, from the English-speaking Ontarian. Of course, if you don't recognize those differences, then there is really not much point in carrying on with our dialogue.

The fact is there is a difference, and that is what makes a course in those areas successful. And that is what makes the course that has been provided in Quebec as successful—the fact that it is in the milieu of the French language.

You are going to have to have it in a municipality where they speak French in the bars and where they speak French in the stores and on the street; and you are not going to find too many of those. But there are some, and I would suggest that those should be looked at first when you establish such a programme. I realize the minister may, after our last conversation, look down on the fact that some of the students who attend may go into the bars, but obviously they do, and that is perhaps part of the way of life in those areas; whether they be French or English.

Mr. Chairman: Item 9 carried?

Carried.

Item 10?

Carried.

Item 11?

The hon. member for Windsor-Walkerville.

Mr. B. Newman: Item 11 is school business and finances—is it Mr. Chairman?

The other day, Mr. Minister, during the question period we discussed the financial arrangements between the province and the government of Canada in relation to students in grade 13. Now, there is the concern of the private schools that in the compilation of statistics and financial reports, statistics are turned over to the government of Canada and, in turn, they transfer funds to the Province of Ontario for post-secondary education, which includes grade 13. I have been asked by a group in my own community as to whether funds are transferred, or have been transferred in the past from Ottawa to Ontario for students in private grade 13 classes in the Province of Ontario.

Hon. Mr. Wells: The answer to that, Mr. Chairman, is no.

Mr. B. Newman: Prior to 1971 there were no transfers?

Hon. Mr. Wells: There have been no transfers.

Mr. B. Newman: So, I can assume that at no time were any financial figures provided to the government of Canada on which they could base transfer payments to the Province of Ontario—from the private school sector?

Hon. Mr. Wells: That's right. There has been no transfer of post-secondary money based on any figures that included private school enrolment.

Mr. B. Newman: I would like to ask another question on that, Mr. Minister.

Were figures turned over from other jurisdictions in Canada to the government of Canada, and were funds transferred to those jurisdictions? I know it probably isn't anything that is of concern to you, but are you aware of anything in that?

Hon. Mr. Wells: I'm afraid I wouldn't have any knowledge of that. I just don't know.

Mr. Chairman: The hon. member for Nipissing.

Mr. R. S. Smith: Under this vote, Mr. Chairman, I presume that the grants to the separate and the public school boards are included in that $1,330 million. I'd like to ask the minister what consideration has been given to an equalization of the grants at the grades 9 and 10 levels in the two systems?

Hon. Mr. Wells: Mr. Chairman, this is considered each year as we devise the weighting factors—which is the place where this would come in; because these are elementary pupils and the request that the separate school trustees put in is that there be some kind of a weighting factor for these people that would differentiate them from regular elementary pupils.

We are in the process of considering this and we will be issuing the 1975 weighting factors sometime at the end of November or

early December, and the answer will be in at that time.

Mr. R. S. Smith: You are not saying to me that students in one system are considered elementary and those in the other system are considered secondary? That's what you are saying to me in effect.

Hon. Mr. Wells: Yes, that's exactly what I'm saying to you. That's exactly how they are classified. The students in the separate schools who are in grades 9 and 10 are still classified as elementary students. That's the way they are classified in the regulations. That's the way they've always been classified.

Mr. R. S. Smith: Is there any consideration being given to reclassification, so that all people would be treated on the same basis in the province, regardless of what system they chose to attend, rather than talk about weighting factors and gimmicks and little games we can play and what not?

Hon. Mr. Wells: No, we haven't really thought of reclassifying them in any different manner.

Mr. R. S. Smith: In other words, you are satisfied that to class people differently even though they are on the same basis, is satisfactory to you and your government?

Hon. Mr. Wells: The history of the whole arrangement grew out of the Continuation Schools Acts of many years ago, and the right for both public and separate school boards in certain areas to educate grades 9 and 10, the old grades 9 and 10. Public school boards do not avail themselves of that arrangement any more because geographically they don't bother with it—

Mr. R. S. Smith: They don't have to.

Hon. Mr. Wells: —but the separate school boards still have that arrangement. The arrangement was that these people were elementary pupils and that's the way they are classified still.

Mr. R. S. Smith: Would it not be too difficult to reclassify them, other than the fact that you might have to make a slight change in the Act or in the regulations?

Hon. Mr. Wells: You are saying then, in fact, they should be classified as secondary school students. We have never made that policy change. We have continued to carry on with the policy as it was, classifying them as elementary students and allowing them the elementary grant and ceiling.

Mr. R. S. Smith: In other words, to put it another way, it is the policy of this government to differentiate between people insofar as your school system is concerned, based on which of the two systems they attend and not based on what educational values they are being given or at what level of educational values they are being given instruction?

Hon. Mr. Wells: It is the policy of this government to respect and support and equally uphold the separate public system and the public system and the public secondary system. The public secondary school system extends from grades 9 to 12, this is fully supported, and all pupils are free to attend it. The separate school representatives in a community play a part in the policy-making decisions that go on in that particular system, and that's the system that this government supports fully and completely; a single public secondary school system.

Under the existing historic arrangements, the right for the separate school boards to carry on to grade 9 and 10—and this has been done basically in the academic areas—is respected, and they are supported at the level of an elementary grant. But it's the policy of this government to support, and uphold—and we haven't changed that policy—a public secondary school system.

Mr. R. S. Smith: Just so everybody understands where we are at, you are saying that those people who attend one system receive a grant of $515 more than those people who attend another system, both of which you recognize have the right to teach in grades 9 and 10.

Hon. Mr. Wells: Yes, to some degree that's right.

Mr. R. S. Smith: Well, not to some degree; it's a factual statement. You may say "to some degree" to try to weasel out of it, but that is the way it is, whether you like it or not. Obviously you are going to maintain that system and fool around with the weighting factors this year when you have refused to do it for a few years, because this is the year to, you know, make the purchase.

Hon. Mr. Wells: We are not—

Mr. R. S. Smith: When I talk about making the purchase, I'm talking about buildings.

Hon. Mr. Wells: I said I had been asked to consider that particular point of view, that perhaps we should change the weighting factors to allow a special weighting for the grade 9 and 10 elementary school pupils in

the separate school system. That is what will be considered. But this government's policy insofar as the public secondary schools are concerned, has not changed.

Mr. R. S. Smith: I am not asking you to change it.

Hon. Mr. Wells: Well, I just want you to know that.

Mr. R. S. Smith: I am just telling you that you are getting prepared to make a purchase with our money.

Mr. Chairman: The hon. member from Windsor-Walkerville.

Mr. B. Newman: Mr. Chairman, I want to return to the topic I had discussed earlier with the minister, and that is the provision of funds to private grade 13 classes. I've got specific questions that were given to me by the party concerned, and I would like answers to them.

Did you, Mr. Minister, use head counts when you decided to ask for post-secondary grants from the federal government during the years 1967 to 1971?

Hon. Mr. Wells: I don't know what your information is leading up to or what it indicates, but we take head counts of students in both the public and private systems. We do not use the statistical information collected in our submissions to the federal government for the post-secondary grants.

Mr. B. Newman: So in your submission to the federal government you do not say that in the post-secondary education, referring to grade 13, there are X students, including the number who are in the private schools?

Hon. Mr. Wells: No. As a matter of fact, I have before me the 1972 submission, and it says grade 13 enrolment as of Sept. 13, 1972, was 50,712; and I'm told that figure refers to students in the public secondary schools.

Mr. B. Newman: Thank you, Mr. Minister. I simply wanted to ask all of the questions so that the people can have it on the record and it will satisfy them.

If not, why don't you use a head count in your approach for funds from the federal government?

Hon. Mr. Wells: Before I answer unequivocally for the year 1967, I think that my officials had better check, because they can't assure me that the head counts are right.

Mr. R. S. Smith: I think you made a blunder.

Hon. Mr. Wells: They are not being claimed now, but none of the people sitting here were making the claims in 1967, so I think that in order that no one is led astray, they had better check that out themselves.

Mr. B. Newman: Well, will you provide me with that?

Hon. Mr. Wells: Yes, I'll provide you with that answer and, if not here, I'll get it for you in the question period. I just want to assure you that in the ones that have been put in recently since 1971, they certainly have not been included. But no one here is absolutely sure. In order that we don't have a misunderstanding, let's get that information dug up so that we are correct.

Mr. B. Newman: This is my purpose in asking the question, so that we can clarify the problem once and for all.

The last question that I have is this. The information provided me is that all post-secondary students are eligible for financial assistance from the federal government and there is nothing to stop the federal government from channelling these funds directly to you and then indirectly to the private school boards. Is that correct?

Hon. Mr. Wells: We could claim the numbers in the private schools. The money would be transferred under the Federal-Provincial Fiscal Arrangements Act to the consolidated revenue fund of this province and then this province would have to pay grants to those private schools. Up until this time the policy decision of this government has not been to pay grants to private schools. We felt that would be violating that policy decision because we would, in fact, be paying grants from this government to private schools, even though the money was being returned into the consolidated revenue fund. But it has to go into the consolidated revenue fund from Ottawa.

Mr. B. Newman: But Ottawa would pay you the moneys were you to ask for the funds.

Hon. Mr. Wells: I am led to believe that they would, yes. I haven't had any talks with them directly on this matter. I understand that they probably would if we claimed those people.

Mr. B. Newman: Thank you, Mr. Minister.

Mr. Chairman: Shall item 11 carry?

Mr. Foulds: No, Mr. Chairman.

Mr. Chairman: The hon. member for Port Arthur.

Mr. Foulds: Thank you, Mr. Chairman. I would just like to know how many school boards in the province are spending up to the ceilings or exceeding them.

Hon. Mr. Wells: We haven't got the exact figure here. It's about 50 per cent. If you like, I can get the exact figure for you.

Mr. Foulds: That is very interesting, as a matter of fact. While you are getting that is there any way that you have a statistical breakdown in terms of percentage of the ceilings that they are spending? In other words, can it be more detailed than the straight figure that I have asked for? Could you find out how many are within 10 per cent, say, of the ceilings?

Hon. Mr. Wells: Yes, It can be more detailed. I don't know if I can give you that right now, but it can because I had it about eight months ago. I had a figure showing the percentage they were spending up to the ceilings. It is available. I don't know if I can get it within the next 15 or 20 minutes but I can get that for you.

Mr. Foulds: I would appreciate that very much. That's all, Mr. Chairman.

Mr. Chairman: Shall item 11 carry?

Mr. B. Newman: Mr. Chairman, I wanted to ask the minister, have there been requests from various boards throughout the province to set up schools that sometimes could be referred to as no-nonsense schools, schools in which discipline is extremely—I shouldn't say extremely strict, but quite strict—as it was back in the days gone by where there was no choice of subjects? Students had to conform in the school rather than the present system in the school where there is the complete freedom of choice on the part of the individual.

I have noticed in reading various American publications that there seems to be a new approach, or a greater desire on the part of parents and on the part of students to take their education extremely seriously and be interested in returning to schools that were almost disciplined on a military approach. Have there been any requests at all from boards to go back into the sort of a no-nonsense school where everything is strictly hard work and teaching and where a student must attempt to achieve?

Hon. Mr. Wells: I think that statement leads you to believe that the contrary is so, that we have a lot of schools where perhaps there is a lot of nonsense going on and so forth, and that is not so. There are varying degrees of structure in the various schools. They vary according to the kind of philosophies of the principal and the teachers and the parents in that community and so forth.

Parents today are asking for assurance that the basics are being taught in the schools. I think the basics are being taught. Part of the problem is the communications problem between the teachers and the parents. I made a speech about this on Saturday. I said that we have what we might call a curriculum credibility gap because we have all these people crying for a return to the teaching of the basics; yet a lot of it is going on in the schools and a lot more which is very basic to the whole learning process, if that child is to develop a life-long learning process. The trouble is that parents get into the school and they don't get it explained to them and they become frustrated and confused.

I think that that's what parents are asking for. They are asking that they be sure that these things are happening in their schools. We don't get requests to return to any particular kind of schools. School boards develop these things within their own jurisdiction. The York county board drew a lot of publicity over this before they got all their other publicity about their negotiation matters. There was a lot of publicity about the director up there and his very perceptive knowledge about education and how he had developed these alternatives in schools like Thornlea and George Williams Secondary School.

There were differences in approaches; I think that that was so. Certainly in school jurisdictions this is a good thing, we don't get into that. We get into the area of laying down broad guidelines and directions to the boards and they adapt to these. I think that most of them are doing it in an excellent way.

Mr. B. Newman: I can recall attending one of the seminars conducted by the OSSTF in an attempt to communicate with the public to get a reaction as to what the public saw as the role of the secondary school. In the little panel that I happened to be with, the concern of the parent was for that other type of education, the type that I had made mention of earlier. That wasn't necessarily stating that it wasn't taking place in the community,

but the parent, as you made mention, didn't really understand what was going on in the school system. That parent was very much concerned that the student should be coming to the school to learn only and not to be fooling around in any fashion. I think you are right in the comments you made mention of earlier, Mr. Minister.

Hon. Mr. Wells: I could tell you a very interesting experience we had in the summer. There's one place in the United States where they are experimenting with what we call the voucher system. It isn't a pure voucher system.

This is at Allan Rock, Calif. We went down there, visited Allan Rock and talked to the people. The voucher system doesn't apply to any private schools. Therefore, it doesn't really become a true voucher system in our terms of a voucher system. It worked this way.

The parents were given a voucher for the amount of money. They could spend it either at their local school or any other school and those schools that were in the scheme competed for programmes. You might think that under that system all kinds of alternative freer schools would be springing up. In reality, the alternatives that were springing up were basic education schools and programmes in this school that emphasized reading as the major requirement or as a major subject area and all these kinds of things. This was the general tenor that all these alternatives took and the parents could choose which they wanted.

Certainly it's an experiment and whether it's working well or not down there is still too early to say. It was interesting that these were the kinds of alternatives the teachers and the parents had developed.

Mr. B. Newman: The only other topic I wanted to discuss with the minister was—

Mr. A. Carruthers (Durham): Mr. Chairman, I have a comment on this subject.

Mr. Chairman: I wonder if the member for Windsor-Walkerville would allow the member for Durham to comment on the same subject?

Mr. Carruthers: I note, Mr. Chairman, that the Ontario Chamber of Commerce recommended in its annual report to the ministry that external examinations be re-established in the secondary field, perhaps not as a—

Mr. Foulds: Wrong item, Mr. Chairman. That's curriculum development.

Mr. Carruthers: —final form of advancement but as a partial gauge of a pupil's achievement. Could the minister give me an idea as to their position in this respect?

Hon. Mr. Wells: Mr. Chairman, I can't recall the complete wording of the resolution from the Ontario Chamber of Commerce, but if they meant external examinations run by the Ministry of Education, we have no intention of reinstituting them.

That isn't meant to mean that we are opposed to examinations. I think that all kinds of evaluation processes, properly used, are a very important tool. The feeling is abroad in some areas that the ministry is opposed to examinations, period. That is not the case. We think that there's a place for examinations in the secondary school, for instance, and that they, properly used, are part of the total evaluation procedures and that they should be worked out by the local schools. We do not practise a policy of anti-examinations, if you wish. But we are not going to reinstitute departmental examinations or province-wide, universial examinations.

Mr. Carruthers: I appreciate that. I certainly am in agreement.

School boards do have the right to set up examinations on the school-board level, do they? There is quite a demand for this from one segment of our public, whether it's right or whether it's wrong. But do school boards have that privilege, in order to establish a standard of education in a certain area?

Hon. Mr. Wells: Yes. Actually, Mr. Chairman, they would have the right as an autonomous body, for instance, to conduct a school-board-wide examination if they wished. Now, I don't think anybody does this, but they could if they wished conduct a school-board-wide examination, but it is more the case that they conduct examinations in the schools.

I got an interim report card for my son at home the other day, and the computer had printed out on the bottom, just as it prints out on the bottom of your credit card, "Examinations Nov. 22 to Nov. 28," along with a couple of other little homilies or phrases such as—

Mr. Foulds: "Tax assessment too high."

Hon. Mr. Wells: —"Continued absence can lead to failure," which I thought was quite amusing.

Mr. Foulds: You know what that means? It means he's playing hookey. Watch it.

Hon. Mr. Wells: No, no. He hadn't missed any days, but you see the point was that it's just like they put that little "Smoking is dangerous" on all the various cards from time to time, and this one had; "Continued absence is harmful." I am not a great supporter of some of these computerized report cards because they have, to the other extent, got an awfully impersonal feeling to this whole business of pupil evaluation.

I notice after each subject there's a little computer printout, and about five of the subjects had the same one—"Keep up the good work." It looks as if the teacher has five choices to mark on the punch card:—"Satisfactory work;" "Keep up the good work;" "Excellent;" and a couple of others. You push them and then the computer prints out the comment, which to me seems a rather impersonal method for the evaluation of pupils in a system which we are saying puts great emphasis on the individual and his own abilities. However, it may be that with the time at our disposal we just don't have any other better way of evaluating all these pupils in secondary school than through this type of method.

Mr. Foulds: They should at least have a handwriting output.

Mr. Carruthers: Mr. Chairman, I am certainly not in favour of examinations as a measure of pupils' ability or achievement, necessarily, but I'm wondering if it does not provide an opportunity for the student to demonstrate his ability in a competitive field. After all, when a student leaves school he is in a very competitive world. I use the criticism from time to time that the challenge is gone out of the school curriculum and that a good student doesn't have the same opportunity as he had in the past to show his ability. Perhaps it discourages his incentive to achieve up to his maximum.

Mr. Young: Perhaps a poor student has a better chance of learning, though.

Mr. Carruthers: I'm wondering if you could advise me, as well as this Legislature, as to what policy is followed in setting examinations within the school itself.

Hon. Mr. Wells: I really can't tell you that in any definitive way because the policies are set by the local schools and by the boards. Some of them have them at Christmas, Easter, and then a final exam for those who have not been successful. Some of them have a series of exams going on all the time. Others have tests that are conducted on a regular basis. There is a different pattern in every school, again devised by the professional educators in that area who feel this is the best way to evaluate a pupil's progress.

I can tell the hon. member, and I will apologize for giving this personal reference, that I hear quite often the comment that our young people perhaps are not challenged in their school programme and things are very easy today. I have just been following with a sort of detached point of view a couple of projects that my son, who is now taking grade 9 history and grade 9 consumer education, has got. The grade 9 history assignment is something which I suggest most of the members of this Legislature would have a very difficult time doing because it deals with the leadership qualities of one leader at the provincial, federal and municipal level.

Through newspaper articles and through personal research, the student has to write and develop and support with reference material what are the leadership qualities of these people, why they have these leadership qualities, and how they develop them. He has chosen, I think, Prime Minister Trudeau, Premier Davis and Mayor David Crombie. I'll be very interested in seeing what he finally arrives at. According to the information sheet he had, he is supposed to develop this, based on their background, their upbringing, their parental background and everything, and show why they became leaders in their respective areas.

Mr. Foulds: He'd better not pry too closely into Davis.

Hon. Mr. Wells: Actually, we will probably be able to use the material for campaign literature the next time.

Interjections by hon. members.

Hon. Mr. Wells: I just give that as an illustration. Then the other project he is concurrently working on is an analysis of the benefits that a senior citizen gets in this province, how much money they get from various sources, federal, provincial and municipal, and whether or not they can live on this amount of money. They are supposed to do this, all detailed and backed up with reference material, and then presented as a project. I suggest to you that a lot of us would have difficulty preparing some of those kind of projects. Even if you can get 50 people to help you, you have still got to get it all down on paper and someone has to mark it.

There again is one of the problems that our secondary school teachers face today,

and I fully recognize this. They have got to evaluate and mark that kind of a project. Believe me, that is a lot tougher to mark and evaluate than an exam where you ask people to put down "yes," "no" or ask, "Do you know something?" such as "What's the answer?" or, "What colour is a poppy?" or something like that.

Mr. Chairman: The hon. member for Windsor-Walkerville.

Mr. B. Newman: Mr. Chairman, I wanted to ask of the minister, when he does provide me with the information that I asked previously, to provide this additional information, if he would be so kind, that is, the total amount of federal grants that are given to the Province of Ontario for any one given year. I would ask him to follow up in these answers for the same year throughout by giving him the per student grant for grade 13; how many grade 13 students are involved; and how many of those grade 13 students are attending private schools. From that, we could conceivably find out how much could be provided—

Hon. Mr. Wells: They are not provided in any private schools.

Mr. B. Newman: It would be grade 13 in not tax-supported public grade 13 programmes. Take any one of the Catholic grade 13s. From that, we would really know what funds are not being provided to the grade 13 student in the Catholic system simply because you are not asking for the funds from Ottawa.

Hon. Mr. Wells: I can tell you that for 1972 the post-secondary grants from the federal government for those in the public schools of the province were $34,968,789, which is about $689.56 per student.

Mr. B. Newman: How many students were in there?

Hon. Mr. Wells: That was based on 50,712 students. There is also a certain return for the grade 13 correspondence courses.

Mr. B. Newman: Did the 50,712 students include the Catholic high-school students?

Hon. Mr. Wells: No.

Mr. B. Newman: Thank you.

Hon. Mr. Wells: As I indicated, there is no quarrel with the private high schools not being included since 1971. But none of my officials who are here today were here back in 1967 working on these things, so they can't absolutely vouch for the fact that in 1967 the figures sent in were exactly the same. We don't believe that they included any private schools, but we are going to get the information for you so we will be absolutely sure and no one will mislead anybody.

Mr. Chairman: Shall item 11 carry? Carried.

Item 12? Carried.

Item 13? The hon. member for York Centre.

Mr. D. M. Deacon (York Centre): Mr. Chairman, in connection with these regional services, is this work that is supporting the county school boards? What sort of work does this regional services encompass?

Hon. Mr. Wells: The regional services are our regional offices which operate around the province. There are nine of them. They are made up of a regional director; under him, a person in charge of business and finance, of field services, of curriculum services, and of supervisory services; and under them, are staffs of people to assist the county school boards in those four areas that I mentioned —in other words, under curriculum services there are people there, there is someone in the special education area, there are people in the community schools area, and so forth.

When we reorganized last year our policy was to give these regional directors a high degree of autonomy to handle a lot of the things that used to be handled here in the central office. School building proposals and all the other various things go in and can get approval at the regional level. They are sort of the managers of the programme in the various regions.

Mr. Deacon: This would include, then, curriculum if they wanted to get approvals for special courses or things like that? Does this include, for example, the Moosonee Education Centre? Would it report through to that when it comes up with special projects?

Hon. Mr. Wells: No, the Moosonee Education Centre is not a school board. It works directly with us as a ministry. We give it a grant; the grant was in here, if you will notice.

Mr. Deacon: Yes, I noticed that. I want to know how you would deal with them in supporting them in the areas of their programmes and their curricula and any other special situations of that sort, where you

have perhaps a different need than you would in the normal schools around.

Hon. Mr. Wells: No, that would be handled directly with our people; that wouldn't come under the regional office. That would be handled directly with us. I meet with the chairman up there from time to time and we talk about various things. This is concerning the educational centre as opposed to the school programmes. The school programmes would come under the normal channels of communication from the regional office up there.

Mr. Deacon: I met somebody in my community who used to be in charge of contact in Moosonee, and I thought perhaps that was sort of a regional office or something of that sort.

Hon. Mr. Wells: We have two people on the board of governors and one of our appointees—it could be anybody whom we wish to appoint—is Frank Lawless, who is the regional director up there, so this could give the impression that the regional offices are involved. We decided to appoint him as one of the members of the board of governors. The other member who is appointed by the ministry is Mr. Jim Martin, who works in the head office down here.

Mr. Deacon: When you have a problem, as you obviously have had in that one, where there has been very little participation and involvement by the community, is that something that the regional office can get into, or do you work directly through your representative on the board, or do you have direct involvement from Queen's Park?

Hon. Mr. Wells: I guess all three. The regional office would be aware of problems there and would filter them down to us, but we become directly involved in that. We are in the process at the present time of conducting an evaluation of the programme up there. The board of governors has decided to hold public hearings; in fact I guess they held public hearings last week on what is going on up there, with input from all the community on what they think of the centre, what their opinions are.

We have decided to use as a model our co-operative evaluation method; so as well as having this evaluation of themselves, so to speak, after listening to the public, we have asked three other people to come in, listen to the briefs that have been presented, do their own evaluation and prepare a report in conjunction with the board. In about two months or so we will have a report, by the board of governors on what they have found out from listening to the public and what they see as their future role; and by our three independent people who will also have listened to the same kind of input, but will also have done their own searching around and looking.

So these people are now also working. The people up there now are Mr. Don Felker, Mr. Gilbert Ferries, and Ms. Verna Kirkness, of the National Indian Brotherhood, the latter appointed by the Department of Indian Affairs and Northern Development.

Mr. Deacon: This, then, is a special situation you are dealing with. I have often wondered why it wasn't under Colleges and Universities, since it is sort of post secondary; or under a local school board operation where they elect their own people. I presume they elect their own school board representatives in the two schools there, the primary and secondary school, do they not? Why would they not have the whole thing under the regional office and run by elected boards?

Hon. Mr. Wells: The Moosonee Education Centre is set up under a charter like that of a university; and then the separate school board, the elementary and the secondary school boards, are set up under our legislation. So you have a whole mixed bag.

Now the things that you have suggested could come out of this evaluation; that is precisely why we are having the evaluation, because things are rather clouded up there as to what should be the role, what are the future roles and so forth. Out of this, perhaps, will come some clarification of these points.

Mr. Deacon: I am glad to hear you are undertaking this study. That has been sort of a special situation where we seem to be imposing, from here, a programme or direction through the appointment of people, whether they act on our behalf or not. I don't think it is getting the response we would like to see with the money we have invested in a project like that. Have we any other situation in the province similar to Moosonee, where we have set up a special centre apart from the colleges and universities structure or apart from the normal school board administration?

Hon. Mr. Wells: I suppose the only thing that might come close would be Elliot Lake,

but that is not my responsibility, that is Colleges and Universities.

Mr. Chairman: Item 13 agreed to?

Carried.

Vote 2702 agreed to.

Mr. Chairman: This concludes the estimates of the Ministry of Education.

ESTIMATES, MINISTRY OF HOUSING

Mr. Chairman: Estimates of the Ministry of Housing; the hon. minister.

Hon. D. R. Irvine (Minister of Housing): Mr. Chairman, before we proceed with the debate on the estimates, I would like to make a few comments in regard to the Ministry of Housing, which has been established for approximately one year only—as of Nov. 30 as a matter of fact. It does give men considerable pleasure to review the very substantial accomplishments of this ministry in its first year and to indicate to the members of the House our main directions in the months ahead.

I'm sure all the members are aware that housing is a matter of vital concern to all of us. It is also a very complexe matter. To understand the rationale for and the impact of this ministry's programmes, one must be aware of all of the factors that affect the provision of housing in Ontario. For that reason, Mr. Chairman, I believe the hon. members will find it helpful in considering our estimates today, if I examine those various factors and their interrelationships in some detail.

One year ago this ministry was faced with four main challenges. They were, first of all, rising land costs brought on by a shortage of serviced land, rapid urban growth and pure speculation; secondly, an imbalance in the mix of housing types available; thirdly, a heavy overburden of regulatory obstacles; and, lastly, international pressures that were forcing up the costs of money, labour and supplies. Our responses to these challenges have been explained to the hon. members of this House before, most recently I would say, Mr. Chairman, in my statement to the House on Oct. 18, and I will not go into detail at this time. I would like, however, to demonstrate that our responses are in the right direction and that they are already producing very beneficial results.

Those four challenges are still with us today, but their relative weight or impact has changed. Most of the change has been for the better. For example, the actions of this ministry and of this government have, firstly, halted the speculative surge in land and housing markets of the past spring. Secondly, already begun to change the mix of housing coming on to the market to match more closely the purchasing power of the average family; and, thirdly, removed many of the regulatory obstacles that impeded housing production a few months ago. In other areas, the changes have not been so beneficial. Mortgage interest rates have risen three full percentage points in less than a year. Construction costs have climbed 25 per cent in little more than a year. Inflationary pressures continue to push up accommodation costs in virtually every country in the world.

The activities of this ministry can have little direct effect on factors such as these, Mr. Chairman. The best we can do, though, is to ease the impact of those pressures wherever possible. This we are doing and in very substantial ways, through such programmes as sharply increased mortgage lending at below-market rates to stimulate production of the types of housing most badly needed today, particularly for those in the low- and moderate-income groups. I would like to describe these and other activities in detail in a few moments but, before I do, I would like to recall to the hon. members the events that led to the creation of my ministry.

The decision was announced in this House on Sept. 13, 1973, when the Premier (Mr. Davis) released the report of the Comay task force on housing and announced that this government would move quickly to implement one of its central recommendations—that a Ministry of Housing be created. On Oct. 2, enabling legislation was introduced. Attaching a high and very immediate priority to housing, the Premier charged the Minister of Housing with the responsibility of ensuring an adequate housing supply at reasonable cost within a sound planning framework. On Nov. 30, the Ministry of Housing commenced operations. Its main component parts were the Ontario Housing Corp., OHAP, the plans administration branch and other components from TEIGA, and the North Pickering project.

In addition to those formative components, my ministry in the past 11 months has initiated the following programmes and activities:

In December, 1973, we formally agreed to participate in the federal-provincial Neighbourhood Improvement Programme and allo-

cated $8.5 million in provincial grants to support the programme in this financial year.

In January, 1974, we established criteria to allow regional and municipal governments to assemble land for housing purposes.

In February, my ministry created the $10 million Ontario Home Renewal Programme, designed to conserve and improve Ontario's existing housing stock.

In March, we created a new $4 million fund and a new branch of the ministry to encourage development of community-sponsored and non-profit housing.

In April, the plans administration branch was reorganized and elevated to division status, a major move that sharply accelerated draft approvals to the point where we now have 100,000 or more units approved and awaiting agreements between municipalities and developers. Later in April, we developed more flexible building price limitations on OHC-owned lots to stimulate builder interest in the HOME programme.

In May, amendments were introduced to the Housing Development Act, giving force to the Ontario Home Renewal Programme and enabling municipalities to establish non-profit housing corporations. That same month, this ministry tabled "Housing Ontario/1974," a very comprehensive statement of policies, programmes and partnerships, and committed itself to facilitating 31,100 housing starts in the province in this fiscal year.

In June, Mr. Chairman, we provided an additional $58 million for this year for below-market-rate first mortgages to families with incomes under $20,000 to accelerate production of lower-priced accommodation in housing action areas. At the same time, we included in OHAP an infill policy for serviced and planned sites with potential for 250 or more units, and we adopted further initiatives that gave even more force to the Ontario Housing Action Programme.

Early in July, we created a $1.5 million grant fund to help municipalities design housing policies, develop housing action plans, and launch planning studies. At the end of July, we completed acquisition of 4,700 acres of land in Whitby North and Oakville North for landbanking purposes. This brought to some 20,000 the total acreage in the ministry's land inventory, excluding North Pickering.

In August, the Ontario Mortgage Corp. was formed to administer Housing Corp. Ltd.'s existing $265 million portfolio plus the $75 million in new mortgage funds for the HOME programme this year and the additional $58 million for OHAP announced in June.

I would say, Mr. Chairman, that October was an especially productive month. On Oct. 18, I revealed to the hon. members and to all of Ontario a major new programme to stimulate construction of family rental accommodation and low-cost home ownership in low-vacancy areas of the province. Of the $100 million committed to this programme, more than $50 million will be directed to low-interest-rate mortgages for integrated limited-dividend family housing.

Three days later, on Oct. 21, I announced that this ministry had made available $31.5 million through OHAP to speed completion of the central York servicing scheme. This will contribute in a very major way to housing supply, accelerating 20,000 housing units in South York by 1976 and an additional 17,000 units in the short term through interim expansion of sewage treatment plants in communities in the Ajax, Aurora, Unionville area. It will also open up land for as many as 170,000 units in York and Durham over the next 20 years.

On Oct. 31, I confirmed the signing of agreements between seven developers and this ministry that will provide 3,033 housing starts under OHAP by Dec. 31 of this year, with a possible 7,000 additional units to start in 1975.

Mr. Chairman and hon. members, these are only some of the major initiatives and developments that have been launched by this ministry over the past 10 months. They do not include so many of the other activities and developments that occur daily in the various areas of my ministry. All of these contribute directly to our objective of providing adequate housing at reasonable prices within a sound planning framework.

Mr. Chairman, I record these major initiatives for two reasons: First, I want to indicate the large number of fronts on which we are moving; secondly, I want to demonstrate to all how we are responding to the four major challenges that I identified a few moments ago.

I would like now, Mr. Chairman, to relate these activities to the structure and the organization of my ministry so that all of the hon. members can more readily interpret the estimates we are considering today. As you will note on page G57 of the general government expenditure estimates, the Ministry of Housing has four main components:

First is administration, which includes my office, that of the deputy minister, and the

newly created policy and programme development secretariat. This provides a research and policy analysis capability that we did not have before, and in my opinion it is most important for our future development.

Second is our community planning. This includes plans administration, the various programmes under community renewal, and the North Pickering project. The function of this wing of the ministry is to encourage effective community planning and renewal, and to develop the North Pickering project.

The Housing Action Programme, which is concerned mainly with accelerating housing supply in the immediate and short term, in co-operation with municipalities and the private sector, is the third component which we have to debate today.

Fourth and lastly is housing development, which includes the Ontario Housing Corp., the Ontario Mortgage Corp., the Ontario Student Housing Corp., municipal land assembly, and our community-sponsored housing programmes. This, in effect, Mr. Chairman, is the "bricks and mortar" side of our ministry. It is here that we exercise our role as a direct developer of housing for people. It is therefore understandable and appropriate that by far the largest part of my ministry's expenditures—some $180 million of the $226 million total, or nearly 80 per cent—is devoted to direct provision of housing.

More importantly, that expenditure is devoted to providing housing for people who need it most— the low-and moderate-income earners. In broad terms, Mr. Chairman, over half of our budget and about one-third of the housing units that we will directly influence this year will provide housing for people earning less than $8,000 annually. The other two-thirds of the units will go to people earning between $8,000 and $20,000 annually. In brief then, while we are actively involved in all facets of the housing field, our biggest dollar output is directed to providing people with adequate accommodation at prices they can afford.

The balance of our expenditure is designed to facilitate the planning for, and provision of, housing by all other partners in the housing process—the municipalities, the private sector, the federal government, and the public at large. From the outset, this ministry has perceived itself primarily as the initiator, as the co-ordinator, and as a developer in the housing field.

The estimates before you today reflect those roles. Before reporting on performance to date in each of our programme areas, I wish to draw the attention of hon. members to two important financial points. First, you will note that our 1974-1975 request for $226 million is some $94 million less than the $320 million shown under the 1973-1974 estimates. Hon. members may well ask why there is an apparent reduction in the estimates when this government attaches, as it has, such high priority to housing. I want all members to understand this very clearly—the decrease is due to non-recurring expenditures for the North Pickering project. Excluding capital disbursements for North Pickering, the 1974-1975 estimates are actually $43 million above 1973-1974.

Secondly, since the estimates book was printed—

Mr. E. Sargent (Grey-Bruce): Glad you told us.

Hon. Mr. Irvine: —my ministry has provided an additional $58 million for mortgages under OHAP, to which I referred a few moments ago. To enable all the members to make a realistic comparison between this year's estimates and those for last year, remove the non-recurring North Pickering item of $144 million from the 1973-1974 total. Then add to the 1974-1975 total $58 million in the new OHAP mortgages this year. That produces a 1974-1975 budget of $284 million, which is in fact $101 million higher than the 1973-1974 estimates.

Therefore, I suggest, Mr. Chairman, that these additional allocations demonstrate once again the depth of the commitment of this government and of this ministry—

Mr. Sargent: But you are not building any houses though.

Hon. Mr. Irvine: —to meet the needs and to meet the developments that we need throughout the province in order to provide the houses for people.

Mr. Sargent: You are another John White.

Hon. Mr. Irvine: Mr. Chairman, if the hon. member would allow me to continue, I'll have lots of time to listen to him.

Mr. Sargent: Okay, go ahead.

Mr. A. J. Roy (Ottawa East): You are being provocative.

Hon. Mr. Irvine: I wish now to report on the progress made so far in each of our programme areas.

Mr. Roy: You are insulting our intelligence.

Mr. Chairman: Will the hon. minister continue, please?

Mr. Roy: Oh, I am sorry.

Hon. Mr. Irvine: As I detail that record, I will relate the activities under each of our programmes to the four main challenges I identified in my opening remarks. I will also demonstrate how each programme has contributed to easing the impact of each of those problem areas.

On page 40 of the document, "Housing Ontario/1974," which this ministry published in May, we listed targets and levels of funding for each of our programme areas. In reporting programme progress to date, Mr. Chairman, I will follow the same format used in that table. The top line of that table showed OHAP funding of $19.9 million for this fiscal year, resulting in the acceleration of 12,000 housing starts and serviced lots.

Mr. Sargent: I wouldn't count on it.

Hon. Mr. Irvine: As of today, Mr. Chairman and hon. members, OHAP has signed seven agreements with developers that will provide 3,033 housing units, either under construction or to be started by the end of the year 1974. These units would not have been started until May of 1975 or possibly 1976 if OHAP had not been in effect. As a further part of these agreements, which I explained in some detail to the House on Oct. 31, Mr. Chairman, we expect an additional 6,933 units to be started during 1975. Scheduling agreements have yet to be finalized with developers and with my ministry.

I expect to announce, though, more signed agreements. I am hopeful that it will be later this week, but in any event I would expect it to be next week at the latest. I am very confident that our main target of 12,000 accelerated units and serviced lots will be met in this fiscal year.

Mr. Sargent: It's a long way from 90,000.

Hon. Mr. Irvine: The second category in the table to which I referred earlier was labelled "housing development." This embodies all of the programmes through which my ministry functions as a direct developer. Let me report on each of those programmes as they stood as of Oct. 31, 1974:

Family housing—416 starts recorded, 1,716 projected by the end of this fiscal year. The target set in May was 2,000.

Senior citizen units—2,756 started to date, 6,015 projected for the full fiscal year, which is 15 more than our May target of 6,000.

Mr. I. Deans (Wentworth): How can you determine what was projected?

Hon. Mr. Irvine: Integrated community housing—428 starts to date, 2,520 projected for the full fiscal year against a May target of 2,000.

Mr. Deans: Can you explain how you arrived at the projected figure?

Mr. Sargent: He didn't write the speech; he doesn't know.

Hon. Mr. Irvine: Mr. Chairman, if the hon. members would allow me, I would be happy to explain all the projections which I am laying forth.

Mr. Deans: I just want to know how you arrived at the projected figure, and what it means.

Hon. Mr. Irvine: Yes, I would be quite happy to bring that forward during our debate on the estimates. I think that's the time to do it.

Mr. Deans: Why don't you do it now, lest someone be misled?

Hon. Mr. Irvine: I would like to point out, Mr. Chairman, that 25 per cent of those units in the integrated community housing are rent-supplement units.

On our HOME programme we had 1,815 starts to date, 4,669 projected for fiscal 1974, against a target of 6,000 set last May.

Community-sponsored—1,103 starts to date, 2,300 projected for fiscal 1974, or 300 more than the target last May of 2,000.

In the rent-supplement—607 starts to date, 1,300 projected for the full fiscal year, which, Mr. Chairman, is 200 above the May target of 1,100.

Therefore, Mr. Chairman, these numbers, totalled, show that my ministry has directly influenced 10,125 housing starts so far this year.

Mr. P. D. Lawlor (Lakeshore): You mean you beat yourself in the race. Who are you running against?

Hon. Mr. Irvine: In our role as a direct developer, we set last May a target of 19,100 starts this fiscal year.

Mr. Lawlor: You set such low targets.

Hon. Mr. Irvine: In my opinion, Mr. Chairman, we will come very close to achieving that target, except for a possible shortfall in

assisted family housing. That should be more than made up in 1975.

Mr. Lawlor: Yes, always made up another time. That's what you have been saying for 20 years.

Hon. Mr. Irvine: The third category is mortgage programmes. Our May statement showed a total provincial commitment to Ontario Mortgage Corp. and assisted home ownership of $75 million. We have, of course, as the hon. members know, increased this to $133 million, with the additional $58 million committed to mortgages to accelerate purchases in our housing action areas.

Mr. Sargent: How much money? What is the percentage?

Hon. Mr. Irvine: Our fourth category is community planning, which includes our Ontario Home Renewal Programme and contributions to NIP and RRAP. In committing a total of $17.7 million to those programmes—$10 million for OHRP alone—we expected to help finance repairs and improvements to 3,750 units in this fiscal year. We have now approved applications for OHRP funds from nine municipalities involving, Mr. Chairman—and I think the hon. members should note it—some $2 million.

In the plans administration division, 101,755 lots had been draft approved at Sept. 30 of this year. By the end of this fiscal year, I expect this number to be increased to approximately 120,000 lots, which is 40,000 lots above the target set last May. In North Pickering, we have acquired 16,813 acres, plus 2,750 acres for the open-space part of the plan. Our target set in May was 17,000 acres.

Mr. Chairman, relating these programmes to the four main challenges which I mentioned earlier, all of our programmes help to retard the rate of price increases by inceasing the supply of serviced land and by increasing the supply of housing units above what would have been provided by the private sector alone. Further, our programmes contribute to a better balance in the types of housing coming on to the market by providing mortgage and other incentives for production of accommodation for low- and moderate-income earners.

In eliminating and streamlining the regulatory process at the provincial level, I say, Mr. Chairman, our record in plans administration divison speaks for itself. It's excellent.

Mr. Deans: It speaks volumes for itself.

Hon. Mr. Irvine: —I say also without hesitation that the record of performance that I have described is a very positive one.

Mr. Sargent: It is the biggest pork barrel in the world.

Hon. Mr. Irvine: I am very proud to be associated with it as we move, in my opinion, toward the goals and targets that my ministry set some months ago. But, Mr. Chairman and hon. members, I want to say this also with equal frankness, there are some areas—

Mr. Lawlor: Miserable, yes.

Hon. Mr. Irvine: —where our performance to date has not matched our expectations of a few months ago. I make no apologies to anyone for that.

Mr. Deans: You should apologize if you are being frank.

Hon. Mr. Irvine: Even though the progress in some areas has been slower than hoped, we have had progress. More important, Mr. Chairman, there is no evidence—

Mr. Lawlor: I suppose if you built one house you would think it was progress.

Hon. Mr. Irvine: —to suggest that even in those areas our basic approach is not correct. In my opinion, it is correct. Where we have erred, Mr. Chairman, we have erred on the side of optimism.

Mr. Lawlor: On the side of execution.

Hon. Mr. Irvine: We did, for example, overestimate the degree of co-operation expected from some local communities.

Mr. Lawlor: Keep your optimism to yourself.

Hon. Mr. Irvine: We expected them to see and to accept more readily than some of them have the very pressing need for adequate housing for people of low and moderate incomes. Assuming, Mr. Chairman, and in some cases wrongly, that they would perceive that need, we also overestimated their willingness to accept the responsibilities that go with the provision of such housing.

In some cases we estimated the strength of the unstated but very real social and economic bias of middle and upper range income earners to those at the lower and middle income levels.

I want to say to you, Mr. Chairman, and to all the members of this House that when

I talk of biases like this, it's not good, it's not pleasant to contemplate. Generally, biases are based on a lack of understanding. I think this prejudice or bias is hidden under many guises. We have, in some cases people, saying they don't want any growth. They want to have neighbourhood preservation; they have concern for the level of social services; they have concern for the quality of life and so on.

I think, Mr. Chairman, when you probe beneath the guises, you see raw prejudice, of the kind that says: "Of course the poor have to be housed, but keep them out of my neighbourhood; or: "The senior citizen housing programme is fine, it's excellent; but don't try to foist off on us a family, rent-geared-to-income programme with its social implications."

Mr. Sargent: Who has done that?

Hon. Mr. Irvine: Mr. Chairman, I want to urge all hon. members to bear such things in mind when they consider their response, not only to the estimates today but when they go back to their municipalities and talk about housing. I want you to consider very carefully all of those points I have brought out.

You know, Mr. Chairman, in my opinion, the people of Ontario are today among the best-housed people in the world.

Mr. Sargent: That's a lot of nonsense!

Mr. Deans: For those that are housed it is at a cost they can't afford.

Hon. Mr. Irvine: Compared with other populous areas, Mr. Chairman—

Mr. Sargent: You should be ashamed of yourselves!

Hon. Mr. Irvine: —Ontario is remarkably free of deteriorated slum neighbourhoods. This is not an accident. It's because we've had good government; it's because we've had enlightened policies; it's because the programmes of this government have been right.

Interjections by hon. members.

Mr. Lawlor: Distasteful conditions right across the board.

Mr. Sargent: How do you know?

Hon. Mr. Irvine: Because, Mr. Chairman, the Ontario Housing Corp., over the past 10 years or more, has done a great job for the people of this province.

Mr. Lawlor: You have got a darn nerve pluming yourself on the conditions. They are just dreadful right across the province. Wherever you travel you see people living in hovels.

Mr. Sargent: Why don't you write your own speeches? Who wrote that nonsense?

Mr. Chairman: Order please.

Hon. Mr. Irvine: Mr. Chairman, I fully recognize the feelings of the hon. members opposite. I understand they do not wish to respond to a positive programme. But in any event, let me say this—

Mr. Deans: We would like to respond to a positive programme.

Hon. Mr. Irvine: The record is not perfect.

Mr. Deans: It certainly isn't.

Hon. Mr. Irvine: Why? Because housing standards that were acceptable, say 10 years ago—

Mr. Deans: I read that part of the speech already. I thought it was funny when I read it.

Hon. Mr. Irvine: —no longer meet the more extensive needs and the criteria set by today's society. We recognize that, Mr. Chairman, and in doing so we are keeping pace with those changing standards.

The operations of my ministry are based on three basic precepts. First, that adequate housing is a basic right of all residents of this province.

Mr. Lawlor: Hear, hear! When do we get started?

Hon. Mr. Irvine: Second, Mr. Chairman, that the private sector can meet the housing needs—

Mr. Sargent: Even motherhood, too!

Hon. Mr. Irvine: —and desires of most residents more efficiently than can government—

Mr. Lawlor: That is somewhat questionable.

Hon. Mr. Irvine: —given the right community and economic climate; and that's most important. Third, that it is the responsibility of government, in concert with other segments of society, to meet the housing needs of those people who do not, for economic or other reasons, have ready access to adequate accommodation.

Mr. Lawlor: You've got a dreadful portfolio; that responsibility is very heavy.

Hon. Mr. Irvine: I believe, Mr. Chairman, that if the hon. member for Lakeshore and other members will examine objectively the activities of this ministry they will find them to be fully consistent with and supportive support of those precepts.

Mr. Lawlor: Totally inadequate; you haven't the forthrightness. You're not prepared to move in any way.

Hon. Mr. Irvine: I wish now, Mr. Chairman, to look beyond the period covered by the estimates before the hon. members.

Mr. Lawlor: You spend more money on highways than you do on houses.

Hon. Mr. Irvine: In the calendar year 1974 housing starts in Ontario will total approximately 90,000, or 10,000 less than our May estimates of 100,000 units.

Mr. Lawlor: Seven thousand last year.

Hon. Mr. Irvine: Without the Ministry of Housing activities which I have just described, I want the hon. members to be well aware that starts for this year could well have been down around 80,000, or possibly to the 85,000 mark.

Mr. Lawlor: Yes; it could be even worse than it is, that's true.

Hon. Mr. Irvine: For the calendar year 1975, Mr. Chairman, the outlook is not buoyant. Such leading indicators as building permits and loan approvals portend a decline in all types of housing, in all types of housing starts in all areas in the province for 1975.

A flow of funds analysis indicates that funds available to major financial institutions for investment in mortgages during the first half of 1974 and the first half of 1975 will be about 60 per cent of the 1973 levels. In terms of housing starts, the Conference Board of Canada has predicted a decline to about 70,000 units for Ontario in the calendar year 1975.

Now Mr. Chairman, such a low level is clearly unacceptable to this government and to my ministry.

Mr. Sargent: Why sure it is!

Hon. Mr. Irvine: Demand for housing in Ontario, based on projected household formations, is expected to continue to increase until at least 1980.

Mr. Chairman: I'm wondering if the hon. minister has a convenient point to interrupt?

Hon. Mr. Irvine: Yes, Mr. Chairman.

Mr. E. R. Good (Waterloo North): Half an hour ago would have been good.

Hon. Mr. Irvine: The demand next year alone will be in the order of 100,000 units.

Mr. Chairman, I'll continue with my remarks after we come back at 8 o'clock.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Mr. Chairman, before the House takes recess, I would like to advise all of the members that the Treasurer has arranged to have a presentation made on the boundaries of the Niagara Escarpment Commission planning area tomorrow from 10 until noon, in committee room 185. The chairman and the staff of the commission and members of the ministry staff will be available to answer questions from members.

The presentation was suggested during the debate last Friday, and I hope that will suit the request.

It being 6 o'clock, p.m., the House took recess.

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Legislature of Ontario Debates

No. 120

Ontario

Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Ninth Legislature

Tuesday, November 12, 1974

Evening Session

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

THE QUEEN'S PRINTER
PARLIAMENT BUILDINGS, TORONTO
1974

10

Price per session, $10.00. Address, Clerk of the House, Parliament Bldgs., Toronto

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, NOVEMBER 12, 1974

The House resumed at 8 o'clock p.m.

ESTIMATES, MINISTRY OF HOUSING
(continued)

Mr. Chairman: Before we continue with the estimates of the Minister of Housing, the hon. member for Hamilton East would like to introduce his guests .

Mr. R. Gisborn (Hamilton East): I would like the House, those who are here to start off the proceedings on these estimates, to join with me in welcoming a large group of steelworkers from Hamilton and their wives —and some steelworker wives and their husbands—in the Speaker's gallery; and to inform them that we are now dealing with, I believe, the estimates of the Ministry of Housing.

Thank you very much.

Mr. Chairman: Will the hon. minister continue with his statement?

Hon. D. R. Irvine (Minister of Housing): Mr. Chairman, when we adjourned at 6 o'clock, I was stating that it is our expectation that the demand next year will be in the order of some 100,000 units.

Mr. P. D. Lawlor (Lakeshore): Well try to make it a little more convincing at this time.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Impossible.

Mr. I. Deans (Wentworth): We will talk about that.

Hon. Mr. Irvine. In short, Mr. Chairman, if left on its own to respond to marketing conditions, the housing sector would in all probability next year be 15,000 to 20,000 units short of market demand. Should that be allowed to happen, the inflationary spiral that plagued land and housing markets this past spring would undoubtedly be reactivated. The totally unacceptable result would be to push already high house prices even further beyond the reach of low and moderate income earners.

Mr. Chairman, my ministry and this government are determined not to let this happen.

The programmes and levels of funding that I have explained here today, will directly influence production of 31,100 units in the fiscal year 1974-1975, and substantially more than that in fiscal 1975-1976.

Mr. Lawlor: You have already let it happen, what are you talking about?

Hon. Mr. Irvine: The member for Lakeshore must remember that we are doing substantially more than he expected.

Mr. Deans: That is not in the text.

Hon. Mr. Irvine: I understand why the member for Lakeshore has some interruptions. But in any event, I quite appreciate that.

Mr. Lawlor: You are the guy who has been responsible for all the problems. Do you mean you are not going to let it happen?

Hon. Mr. Irvine: I remind all of the hon. members, Mr. Chairman, that many thousands of these units would not have been started if our ministry had not launched the programmes that it now has in place.

Mr. Deans: Balderdash, that is nonsense.

Hon. Mr. Irvine: With the introduction last month of our accelerated family rental programme, with its new concept of condominiums on leasehold land, and the greatly expanded federal-provincial family housing programme, we now have a full range of positive programmes in place. They cover all aspects of the housing sector and they focus particularly on meeting the housing needs of low and moderate income earners.

In the months immediately ahead, Mr. Chairman, we'll concentrate on three areas—

Mr. Lawlor: In the years ahead; in the decades ahead.

Hon. Mr. Irvine: Mr. Chairman, our main efforts will be in three areas: one, further emphasis on OHAP; two, sharply increasing the supply of socially-assisted family rental

units; three, broadening our programmes of integrating such units as widely as possible throughout the community at large.

Now, Mr. Chairman, and to the hon. members, the full impact of those programmes will be felt in 1975 and beyond when their results will be most needed.

Mr. Deans: That is after we take over the government.

Hon. Mr. Irvine. We will continue to monitor all housing needs closely. If further initiatives are need, we will launch them also.

Adequate housing at affordable prices is a basic right of all the residents of Ontario. Let me conclude by saying at this time, Mr. Chairman, that this government is committed to that right and we are going to fulfil that right. The empty words that come across day by day from the opposition will do nothing to hinder us to fulfil the basic right of providing housing for all the people of Ontario.

Mr. Chairman. The hon. member for St. George.

Mr. Lawlor: Oh, brave new world, and everybody in it is Pygmalion.

Mrs. M. Campbell (St. George): Mr. Chairman, we have heard a long and carefully prepared statement from the minister. And I would say that, really, for sheer fudging—

Mr. Deans. A bit inaccurate.

Mr. Lawlor: Fudging, that is a good word.

Mrs. Campbell: —of the situation I do have to congratulate him, because that is precisely what it was.

Before I start to get into actual facts on OHAP, for instance, I do want to say a word about that organization which is known as Ontario Housing Corp. For a long time, this party has been endeavouring to get information about the operation of OHC. We want to see the minutes, we want to see the records; and so far this has been entirely denied, not only to us but to the people of the Province of Ontario. Therefore, at this point I must say on behalf of the Liberals that we demand that there be a public inquiry into the affairs of Ontario Housing Corp.

There is no doubt from the information reaching us that over the years the affairs of this corporation were carried on against a background of gift-giving and socializing with those involved in doing business with the corporation. Those matters which are currently before the courts, of course, I shall not deal with, but I would say this, that this sort of thing cannot go on, on even the alleged scale, unless there has been a wholesale sort of dealing in this area.

We also want to have the facts about the land assemblies and the conditions under which they have taken place, and you heard my colleague this afternoon address a question on the Saltfleet situation.

Mr. Deans: I asked that eight years ago, or seven years ago.

Mrs. Campbell: I am sorry, I wasn't here eight years ago.

Mr. Deans: He has been reading my old stuff.

Mrs. Campbell: If I haven't given the hon. member sufficient kudos for that question, I do so now.

Mr. Deans: I always wondered where he got his questions. He reads old Hansards.

Mrs. Campbell: I wasn't here eight years ago; I was here this afternoon.

Mr. Lawlor: A typical answer.

Mr. Chairman: Order please, the hon. member for St. George has the floor.

Mrs. Campbell: This is the kind of thing which has caused the confidence of the people of this province to be seriously reduced, if I may put it that way, in both the government and in that corporation, and the only measure that can be taken is to have a complete look at that corporation and its functioning. I for one wonder, now that we have a Ministry of Housing, why we also need an Ontario Housing Corp., which really constitutes a buffer between the government and the people of this province, a buffer that they do not need to have, surely, in an area of the importance of housing. So much for Ontario Housing Corp. and its policies at this point.

I want now to look at the statements which have been made on the question of OHAP and what, in fact, appear to be the true facts of the situation. In May, the Minister of Housing brought forward his long anticipated housing report. His report stated, and I quote: "It is estimated that the Ontario Housing Action Programme will directly influence the production of 12,000 dwelling units in 1974, which otherwise might be built in 1975

or later, and upwards of 28,000 such units in 1975." If I may pause, there is the first hedging to which I have made reference, because now we overlook the fact that we were talking about 1974 and we were talking about 1975, and were not talking about the fiscal year at that point.

Mr. Deans: That's right; absolutely.

Mrs. Campbell: I continue with the quote: "This does not include dwellings made available to the Home-Ownership-Made-Easy programme through OHAP." And so, Mr. Chairman, through you to minister, we were to get 12,000 units under OHAP in 1974, and, in addition, HOME units.

In October, the minister again reported this to this House on OHAP. The dimension of that programme had shrunk considerably, from 12,000 units to 3,033 units, or about one-quarter of what was promised.

This dismal performance is the clearest indication yet of the government's total bankruptcy in the housing policy area. How long do you think you can get away with fooling the people of this province?

We took a close look at the purported 3,033 units under OHAP; and Mr. Minister, I am very disturbed about what we found. The bulk of the 3,033 units referred to by the minister in October were already on stream, some completed and others almost completed; I give you, for example, units in Brampton and in North York. In no way do they represent a net gain in housing units. These units were refinanced under OHAP to a slightly lower interest rate, and that is apparently all.

One developer was honest enough to say he went into this arrangement with hope for the future; that is that his future proposals might be processed more quickly at Queen's Park. Now this, Mr. Chairman, is really almost a threat—an indirect threat, but a threat nonetheless—that has been used by this government. The programme as enunciated is both misleading and inaccurate.

There were 421 units in Brampton which were almost all completed. The building permit was issued last year. These were refinanced under OHAP. In North York, 699 units were all but complete; some of those already renting were refinanced under OHAP. They should not have been included in the minister's mythical 3,033 units.

A further 200 units in Brampton included by the minister will not be started in December; the servicing is not complete, according to our information. In Markham, the story is the same; 550 units, the land is not serviced, the water mains are not in and the subdivison has not been approved. These units are included in the minister's statement.

When we tried to determine the number of HOME units under this programme—and you will recall, Mr. Chairman, that the minister promised us at least 10 per cent—we could not find them. Approximately 30 units will be built in Scarborough and about 130 in Ottawa.

Where are the rest, I ask of the minister?

Mr. C. J. S. Apps (Kingston and the Islands): Four hundred and twenty-five in Kingston.

Mrs. Campbell: The 699 units in North York do not include HOME units, nor do the 421 in Brampton. In Oshawa, none of the OHAP units are under the HOME programme.

On the basis of this evidence, Mr. Chairman, I am forced to conclude that the programme, as enunciated, is clearly fraudulent.

I would ask that an accurate accounting of this programme be given to this House. The minister—and one can certainly sympathize with the minister—by his behaviour suggests that he has been desperate for starts and, therefore, anything goes.

OHAP is, in fact, NOHAP, and this is most especially true for families whose income is under $14,500 per annum. The minister knows as well as I do that about 70 per cent of the families of this province have incomes under $15,000. These are 1972 figures—the latest we have at this time. But the situation has not changed substantially. It is clear that OHAP is useless for the majority—and I emphasize the majority—of this province's families. It is clearly designed to look after the housing needs of the top 40 per cent.

Mr. Chairman, we are all tired of double-talk and double accounting. We need, and my party has repeatedly called for, a massive land-servicing programme.

I note again in today's statement that the whole fault of the lack of housing now lies with the municipal governments of this province, these dreadful people who have their built-in biases, who don't want to have any form of assisted housing in their municipalities. But never do we see this government meeting with the municipalities to come to grips with the actual costs of housing to municipalities. As a matter of fact, we know of the pressures this government has been

bringing to bear on municipalities. They have been almost intolerable.

One of the interesting things you may not know, Mr. Minister, is that they are saying to us: "The wording of the assistance to us is 'up to $600 per unit', but nobody says we will get even $600 per unit." To municipalities, with all of the increased costs which they have had to take on, $600 is not regarded, by any with which we have been in contact, as being reasonable or sensible to give them the kinds of incentives you complain they lack.

We would ask this government, if it really believes that it is concerned about housing the people of this province, and in these beautiful phrases that "adequate housing at affordable prices is a basic right of all residents of Ontario"; then I suggest, Mr. Chairman, the ministry must look at the costs to the municipalities and be prepared to give them that assistance. It has to be an ongoing assistance, because servicing of land is just the beginning. Growing from that are all sorts of community costs which the municipalities have to bear virtually alone, particularly in the metropolitan area of Toronto.

Almost a quarter of Ontario's families in 1972 had incomes of under $8,000 per annum. What do you really propose to do for them? The growing burden of steeply-increasing rents is denying hundreds of children adequate nutrition and adequate clothing by any standards. We are all aware, or I hope we are all aware, of the long-term debilitating effect of insufficient protein and vitamins in the diet. But something has to go. They either have to pay their money for housing or for food; they don't seem to have a choice of having both.

This is the situation we are facing today. In what the minister said in his speech, I could just hear the great statements which rolled from the lips of a gentleman by the name of Stanley Randall when he had something to do with housing. He came out with a statement as to just how much Ontario Housing Corp. had done in providing new housing. In fact, the situation at that point in time was that a great leap forward was possible only because the city of Toronto, much to my regret, went out of the housing business and turned over established units to Ontario Housing Corp. We were supposed to believe that this was a great new thrust in the development of housing. Most of those units had been around for a long time.

Then, Mr. Chairman, I think I made reference earlier to a conference which I attended recently when the subject of housing for the elderly was the matter before the House. If the minister is aware of reports, particularly "Beyond Shelter," he has to be aware of the fact that this province is quite low on the list of provinces in this country in bringing to the senior citizens the kinds of services they need where they live. Other provinces, not so wealthy, seem to have a much deeper concern for the total person. We seem to believe that if we get people into a housing unit, that is basically the end of our responsibility. I would just like to point out that this is not something to which this minister can point with pride.

As a final matter, I would like to discuss the present state of the tenants living in the Province of Ontario. As the minister knows, the New Democratic Party introduced a private member's bill and I introduced a private member's bill. I at least have recognized, as no one on the government side seems to have done, that rents have become a desperate problem, according to my information, throughout most of the province, but certainly in the Metropolitan Toronto area.

There is no doubt in my mind—and I want to repeat the statement I made a week or so ago for clarification—that the programme and policies enunciated by the Tories in the last federal campaign gave warning to a great many people that perhaps they might get elected, and if they got elected there would be controls. If you look at the rise in inflation over that particular period, I think it is quite clear that at least the developers, who nobody has ever called stupid, decided that if they were to be faced with rent control they were going to have it at the highest range they could get. So there is something owing to the people of this province by this government in assisting them with this present crisis situation.

Of course, the other side of that coin is the fear and the anxiety of people in that they no longer have security of tenure where they live. In this area there are many landlords who will not give leases at all, and there are some who will only permit six-month leases. Surely if you haven't the courage to do anything else you could face the responsibility to ensure tenants some security.

May I say that because of these escalated rents there is no doubt in my mind there is a tremendous doubling up in the big buildings which is affecting the service and the maintenance of the buildings. It is not entirely the fault of the developers or the landlords, but certainly as these rents go up, the

quality of maintenance goes down. And of course in Metropolitan Toronto they really do have that added bonus of the cockroach infestation, which makes it a little difficult for tenants to accept the requirement of this greatly increased rental situation.

It would seem to me the time has come for this government to take a degree of responsibility in amending the Landlord and Tenant Act in accordance with a bill which I brought forward. But again, we are waiting.

I note in this great statement: "The full impact of those programmes will be felt in 1975 and beyond when their results will be most needed." Well I suppose in a sense that is true because at the rate we are going you probably will have people without housing at all.

Then we talk about greatly increased progress in OHAP. Mr. Chairman, I, for one, am tired of the pretty speeches. I've heard them for a long time. I would like now to see the starts that the ministers in seriatim have brought forward. I would like to know whether this minister means a housing start when he talks about the figures, or does he simply mean that we are looking forward to entering some agreements? A start, to me, is when you get the shovel into the ground, or whatever you now put into the ground to start a housing project.

In short, Mr. Chairman, this statement and all of the statements which we have received are really an indictment and not something of which the minister or his government should be so greatly proud. Thank you.

Mr. Deans: Mr. Chairman, I have two or three remarks I want to make about the so-called housing programme of the government of Ontario. I'm interested in the last full sentence of the minister's statement in which he says: "Adequate housing at affordable prices is a basic right of all residents of Ontario."

He underlines "is." It might be useful if he had underlined it all and had read it, not only for his own benefit but to his cabinet colleagues, because the problems we have in the Province of Ontario today are the result of the inadequate programmes of the government of Ontario over the last seven to 10 years.

Interjection by an hon. member.

Mr. Deans: Thank you. I'm pleased you don't agree, because that shows how much you have been paying attention to what has been happening.

Mr. Chairman: Order, please.

Mr. Deans: Let me remind you of the statements of Stanley Randall when he was responsible for housing, and you should well remember that.

Interjections by hon. members.

Mr. Deans: Seven years ago Stanley Randall, in answer to a question, pointed out to me the reason you didn't put the land you held into housing at that time was that you didn't want to go into competition with the private developers. It wasn't your job to compete with the private developers. Your job was simply to provide an additional market to the private developers. You weren't about to undercut their prices, because the fact of the matter was you were hand-in-glove with the private developers at that time and you still are.

It isn't possible to meet the housing needs of the Province of Ontario with this kind of ad hoc programme. It isn't possible to meet the housing needs of the Province of Ontario if all you are going to do is take the existing inadequate housing programmes of the private developers and try to shore them up with more money, less red tape and a few additional houses. And that's all that is occurring in the Province of Ontario. Even to this day you rely substantially on the private developer to provide housing for the people of the province.

In addition, you don't compete with them in price; and that's what I want to discuss at some length. There is literally no competition between the Ontario government and the private developer, though the government should have been able, by virtue of the land that it held, to enter into strict and tough competition with the private developers in the housing market. It should have been possible, given the price paid—

Hon. G. A. Kerr (Solicitor General): Do they pay the same taxes?

Mr. Deans: I'll talk to you later. You have to swim in the bay shortly.

Hon. Mr. Kerr: No; but do they pay the same taxes, the same encumbrances, the same overhead as a private developer?

Mr. Deans: I'll tell you about that in a minute, if you'll just listen. I am coming to it; I am glad you interjected. It shows how little you've listened in seven years.

Hon. Mr. Kerr: Nobody else is going to build houses but the combination.

Mr. Deans: Much of the land that the Ontario government owned, at least in the Hamilton area, had been owned for 10, 15 and 20 years, and a lot of it had been bought at the ridiculously low price of $50 an acre, which was considerably below what was being paid by the private developers for the same land adjacent to the land owned by Ontario Housing Corp. Yet when the Ontario Housing Corp. put its home ownership land on sale, and when it put the houses on the home ownership land, the prices that were charged, whether by way of rental of land or by way of direct sale, were the same as the prices charged by the private developer.

Mr. J. E. Stokes (Thunder Bay): Are you saying the government was speculating?

Hon. Mr. Kerr: He wants the government to build houses.

Mr. Deans: When I asked Stanley Randall, the minister in those days, why it was that he didn't use that land as a lever against what were becoming obviously inflationary pressures in the housing field, the answer he gave me was the answer I just quoted to my colleague from Windsor, who obviously must have forgotten about it.

The truth of the matter is that this government was speculating in the land in the same way the private developers were and was assisting in the upward pressure on the prices. In fact, it has to share a major responsibility for the upward spiral in housing costs right across the province.

This government has never recognized housing as a basic need. This government has never recognized its role in trying to provide housing for people at a price they can afford. This government has never recognized that even to this very day much if not all of the housing programme of the government is geared to the middle-income group, and that little if any of the housing programme is geared to enable those in the lower-income groups to purchase a house.

In 1964 I bought a house on Hamilton Mountain. That house cost me $14,880, including the land. It had a 6½ per cent mortgage. I got gypped at the last moment; it should only have been 6¼ per cent, but it was 6½ per cent.

Hon. Mr. Kerr: When did you build the pool?

Mr. Deans: And let me tell you something: Between then and now that house has gone up in "value" to something in the order of $45,000 to $50,000. That is ridiculous. No working person in the Province of Ontario can afford to pay out of their income the amount required to carry a house of that price in today's society. Or if these people do as they have to do, and place far more of their disposable income into shelter and accommodation than they can afford, it means that the remainder of the economy, out of necessity, is going to suffer as a result of that income being tied up.

I don't know whether you have really given any thought to what it costs—well, quite obviously you have given thought to what it costs to carry a house in the Province of Ontario and the kinds of incomes people need in order to buy that. If you want to take a look at something around the average—we'll say that the average working person might make $12,000 a year; that's a pretty high average by the way, but we'll allow that that would be the average for the purpose of this discussion. For principal, interest and taxes, that person would have to pay out well in excess of $450 a month just to carry that house at today's exorbitant interest rates and at today's exorbitant prices.

The problem really lies in the fact that this government has never appreciated the need to move into the housing field and to build houses itself. It doesn't matter who builds the house, because the same man would be working as would be working if it were a private builder. This government has an obligation to provide houses and to amortize the mortgages over much longer periods of time, if need be, in order to ensure that the income group at $12,000 and below is able to do what the average income group was able to do back in 1964, and that is to be able to purchase homes of their own.

There is no reason at all in the Province of Ontario why a person shouldn't be able to buy a home, and there's no reason at all why the private developer should have ripped off the public to the extent that he has, but the major responsibility for what has occurred in the province rests four-square in the lap of this government—no other government.

It may well be argued that the federal government took actions which allowed for floating interest rates—and we will talk about that in a moment—but the truth of the matter is that if this government had paid heed to what was happening in land prices in the early part of the 1960s and the middle part of the 1960s, and if it had taken the bull by the horns when it was indicated that there were going to be spiralling land costs, the government could have quite easily put a stop to the increased costs of land and could

have had a much greater hold and a much greater impact on meeting the housing needs of the people of the Province of Ontario.

You talk quite a lot about your housing programme and how it's going to develop more and more homes. Let me just read to you some of the statistics of this year, just to try to get into perspective what it is that's really happening in the province.

Housing starts are probably the most misleading general indicators of housing conditions available. They also happen to be the only ones that are really available. Over the last five years, starting in the year 1969, in urban areas with a 10,000 or more population: in 1969 there were 69,365 housing starts; in 1970, 66,497; in 1971, 78,476; in 1972, 91,114; and in 1973, 92,211.

In order that we could judge the actions of this government this year and the kind of impact that the entire housing sector is having, we have got to try to take a look at what occurred between the months of January and August in these years. In January to August, 1970, there were 34,289 housing starts; in January to August, 1971, there were 47,619 housing starts; in January to August, 1972, there were 58,146 housing starts; in January to August, 1973, there were 60,038, and in January to August of 1974, the current year, 53,011 housing starts.

The figures for urban areas, and the only recent ones that are available for Ontario, show starts to the end of August running 11 per cent below the corresponding figure for 1973 and 8.8 per cent below 1972. The January-to-August experience would suggest that the annual starts are running midway between 1972 and 1971 rates, about 95,000 in total, but urban starts for all of Canada in September were 34 per cent below September, 1973, indicating that the situation is worsening across the country and is worsening equally in the Province of Ontario. At this stage, it would seem a fair figure to think that we might get a total of 90,000 housing starts in the Province of Ontario in urban areas—and that's fairly optimistic—in the year 1974.

The trouble with housing-start figures is that they conceal more than they reveal. More important than the number of starts would be the location of the starts and the type and the price of the housing involved. For example, an analysis of 1973 shows that despite an overall increase of seven per cent over 1972, starts actually declined in every metropolitan area in the province with the exception of Hamilton and Ottawa. The importance of type and price is obvious. An increase in the production of condominiums will not lower rents; nor will more $70,000 houses lower the average housing price, and that's what we have seen in much of the Province of Ontario.

At the root of the problem is a misunderstanding of the housing market. In fact there's no market for housing in the sense that there is for other commodities. There are many markets for housing in various locations and types. One might even argue that there are as many housing markets as there are houses. The result is that it makes no sense at all to talk of an increase in aggregate housing starts as easing the housing market. More $70,000 houses, as I said, won't affect the price of the average house, because the two are not vying for the same purchaser and they're not really in the same market.

Even if there were only one kind and location, the housing market wouldn't function as a market. In the traditional but virtually nonexistent market, an increase in price would draw out additional supplies which, in turn, would tend to moderate prices. Obviously higher prices are not going to draw out larger supplies of the basic raw material in housing, because that's land.

Higher prices don't even play a major part in the supply of so-called developable land, which is dependent on public planning decisions. The scarcity or lack of land for housing depends upon public decisions, but the value generated by the planning process, reflected in higher prices for approved subdivisions and so forth, is appropriated by the owners of the land and in most cases larger developers, including Ontario Housing Corp. Land development in Ontario is essentially a public process carried on for private profit.

We take a look at another area then. We try to define it in terms of housing need, because obviously the market doesn't reflect the need. As the minister has probably found out since he took over the portfolio, housing need is extremely difficult to define, because it's subjective. Each person's need for housing differs. A perfect assessment of housing need would be to have it individualized—an interesting psychological study, but not much use as a guide to public policy. We obviously have to arrive at some way of objectifying the need.

One way to start would be to take a look at basic facilities. The 1971 census contained the following figures on facilities in Ontario dwellings, the total number of dwellings being 2.25 million: Housing-need facilities in Ontario, with no running water, 45,565

houses; with cold water only, 34,325 houses; with no inside flush toilets, 66,775 houses; heated by space heater or stove only, 187,945 houses. This is in the Province of Ontario, the lucrative, up-at-the-top, triple-A-rating province.

Mr. Lawlor: Yes, the finest in the world.

Mr. Stokes: The province of opportunity.

Mr. Deans: Let's look at them in individual municipalities, just out of curiosity. In Toronto there are 2,815 houses that don't have any running water. There are 3,445 with only cold water. There are 3,335 with no inside flush toilets and there are 8,365 heated only by space heater or by stove. In Hamilton the figures are 910 without running water and 585 with only cold water.

These are 1971 statistics but they're interesting because they show, if nothing else, that housing needs do vary and, in fact, there may be parts of the province in which some of these things are neither desirable nor wanted. I don't know; I can't imagine it. The truth of the matter is that within all of the housing stock available in the Province of Ontario, there is a fantastic number without the normal amenities we would expect to see in the average house.

Another indicator of housing need is crowding. The rule of thumb in assigning space to poor families is one person per dwelling room; for example, a three-bedroom house with a kitchen, living room and dining room for six people, which is not exactly a comfortable standard. The average in Ontario is 0.6 persons per room. There are 150,715 dwellings in Ontario occupied at a density of more than one person per room or 6.8 per cent of the total housing stock.

Ontario has a surplus of large dwellings and a shortage of small units, which is a problem that Ontario Housing hasn't even yet begun to realize. If we define a small household as one with three persons or less and a small dwelling as one with five rooms or less, the figures indicate, based on average density, that there are 189,170 more small households than small dwellings.

Corresponding to this is a compensating surplus of large dwellings relative to large families. The figures don't reveal how the discrepancy is resolved, but they do suggest the following: The typical seven- to nine-room house being built in a subdivision is not a response to the average household need. Value can be used to reflect need of the 1,117,965 single, detached, owner-occupied, non-farm dwellings in Ontario in 1971—32,525 in rural areas were worth less than $7,500; and 89,225 in urban areas were worth less than $12,500.

I don't pretend that the figures that I have given may well have the same significance today as they had in 1971, except to show that those figures are extremely small in comparison to the incomes that the people have in the area. It might be worth looking at the reasons why even in those areas those figures no longer apply.

A more detailed analysis could combine any and all of the elements that I have mentioned to arrive at a characterization of housing quality in every community. That's a massive and technical problem, and obviously I don't have the wherewithal to do it. Nevertheless, there are some things that we can understand, that don't require a great deal of expertise or technical knowledge. I want to talk to you about them for a few moments.

I want to talk to you about the problems of carrying charges that confront a great many people who are trying to purchase a home in this province. It interests me to listen to the radio on my way to work and to hear the advertisement for one of the large subdividers who says that houses are available now at prices ranging between only $42,500 and $56,000. Who does he expect is going to move into those?

Or, when I go and I talk to the people who are desperate to get a house and who are prepared to lay out far more of their income than they can reasonably afford—and they have to do without many of the other amenities that they might well expect in this triple-A rating province—those people are finding within one or two years of moving into their house it is going back on the market, because the carrying charges have changed, the taxes have risen, the interest rates have been changed, and they are faced with a situation that they can no longer countenance. It takes five years for the interest rate—let me just read you some interesting statistics that I find make me sick—just to put it as bluntly as I can. I want to talk about three different situations in a $50,000 house. If you had a 30-year mortgage, and you were able somehow or other to get an eight per cent mortgage—and how would you ever get one? Well, maybe the minister would lend someone the money at eight per cent. The monthly payment would be $289.89. The total payment for that $50,000 home—and this is assuming, by the way, that you have a $10,000 down payment; so you are amortizing $40,000—you would pay over the total length of time, for amor-

tization, $104,360 to acquire that $40,000 mortgage and $50,000 home. The interest you would have paid, at eight per cent, at the end of the 30 years, would be $64,360 for a $40,000 mortgage—if you could get eight per cent.

But you can't get eight per cent—because in the Province of Ontario today the average is 11¾ per cent. And, at 11¾ per cent, your carrying charge would be $395.28 a month. That is $142,301 you would pay out of your pocket by the time you had amortized that over 30 years. And do you know what that friendly financier would get? Do you know what he would put in his pocket for your $40,000 mortgage? It would total $102,301. And, if you were lucky—if you were really lucky—and you got in under the Ontario government programme—

Mr. Stokes: And Christ threw those people out of the temple!

Mr. Deans: Well said. At 10¾ per cent, you would have to pay $352.15 every month. You would pay, in total, $126,774. You would have paid to the Shylocks of the world $86,774 for the use of their $40,000. And that's under the government programme.

But what if you were like most, and you had to go to 35 years, because you couldn't afford that $352 a month, because it was really just too much for you, because your income wouldn't sustain it, because it doesn't include your taxes, because it doesn't include your heat, because it doesn't include your maintenance, because all it does is pay for the principal and the interest? At 11¾ per cent you would pay $389.58 every month, you would pay $163,624 for that $40,000 mortgage.

Mr. Stokes: That's home ownership made easy.

Mr. Deans: And imagine the interest—$123,624. It's disgusting. And to think that this government, in spite of all of the warnings that were given to it and in spite of the efforts of so many people on this side of the House to convince you of the folly of your ways over seven or eight years, allowed this—no, not even allowed it to happen; you encouraged it to happen.

Mr. Stokes: Participated in it.

Mr. Deans: Participated in it. To think that you would do such a thing. You don't even deserve to be named the Minister of Housing, because quite obviously you are hand in glove with the very people who have been using the people of the Province of Ontario and abusing them for years.

Let's take a look at the $40,000 house I mentioned: If you were able to get in at the lower level and managed to get a house that was worth "only" $40,000, and if you were able somehow or other, by working at two jobs and having your wife working too, to save $10,000—and you couldn't save $10,000, by the way, if you happen to be one of these poor souls who is in a rent-geared-to-income Ontario Housing Corp. subdivision. But you are not there. You are living in somebody's basement or somebody's garret. If you save $10,000 somehow or other and you find you can get this $40,000 house with a $30,000 mortgage at 11¾ per cent, you are going to pay $296.46 a month; that's just for principal and interest, and doesn't include taxes. You are going to pay $106,726 over the 35 years that you amortize it, and you are going to pay $76,726 in interest.

And you tell me that you have got a housing programme in the Province of Ontario that is going to help the people of this province? You have got the nerve to stand up and tell me that you are producing X more new houses in this province, that those new houses are somehow going to help these people who can't even afford to pay the price, and that you are providing houses at a level almost equivalent to the house prices that these people would be forced to pay outside?

The only difference between you and your programme, and this man who is selling the land, is that if you can't get them on the house price, you get them on the rental cost of the land. What you don't get in the house price, you get in the renting of the land. It's a very unusual programme you have—a programme that doesn't even begin to meet the needs and doesn't even start to eat into the basic problem confronting the majority of young people.

I am lucky. I am lucky in a lot of ways, but I am lucky that I bought a house when I did, because when I look around and see other people of my age who have three kids, as I have, who for some reason or other—through no fault of their own in many cases—were unable to get into the housing market when I got into it, they are now struggling like hell to try to get into it at these prices. But there is no way that they can.

You may say to me, "Well, who is buying these houses?" They are buying these houses but they are selling their souls in the marketplace in an effort to pay for them. They are working every single minute of the day,

many of them working at two jobs and with their wives working too, in an effort to try to come up with the kind of payments that they have to make. And it's wrong.

Surely, in this day and age, in this province with the triple-A rating, we can afford to put on the market housing at a price people can afford. Two or three hundreds of millions of dollars are being poured down the drain for buildings for Ontario Hydro, for Ontario Place, for the Science Centre and whatever other extravagances you are enjoying; surely we could afford to put some of that money into mortgages at a price people can afford.

Surely we can amortize it over much longer periods of time. Certainly there will be a greater payout in the long haul, but the monthly requirements for the average individual will be within his means. Surely in this province—at this point before it is too late—we can develop a housing programme that will put into the marketplace 50,000, 60,000, 70,000 or 100,000 units, that will drive the price charged by these Shylocks who are out in the marketplace—and who are gouging the public for all they are worth—that will drive the price of the units that they have on sale down to a level that people can afford.

If there is no other obligation, there is an obligation on the part of government to ensure that the people whom it governs are well housed—not only well housed, but well housed at a price that they can afford. Surely there is an obligation, just as there is in health, just as there is in education, to ensure that housing is available to all people; housing that will meet their needs; housing that will come up to standard in terms of its facilities that are available; housing that will be available at prices that people can afford to pay out of the average income in the Province of Ontario.

How can you talk about a $2.25 or $2.50 an hour minimum wage in this province while at the same time talking about $40,000 and $50,000 houses being made available throughout the province for people to live in? How can you talk about trying to provide people with a reasonable opportunity to improve themselves, if you have a rent-geared-to-income programme that takes every single additional cent that they make from them so that they can't save and move out of that housing programme into a purchase programme?

Why isn't there a method whereby people in Ontario Housing are able to move from the rental programme into the purchase programme by virtue of their income increasing without having to try to save the additional money? There is no way to save it, because the Ontario Housing Corp. programme with its rent geared to income doesn't allow for any saving of surplus. This is where you have got to take a serious look at it.

I have had this out with so many ministers now I begin to feel it is getting repetitious. I don't know how to convince you. You can build all the houses you like. You can come in here as often as you want and talk from now until the end of time about the number of additional housing units that you have put into the marketplace. It is minuscule compared to the overall need. It plays little if any part in maintaining a reasonable level for housing prices. It does nothing at all to provide a sufficient quantity of rental accommodation for the majority of people, and when you do provide rental accommodation, you even gouge the tenants in the rental accommodation.

It is a sorry laying out of this government's inactivity and activity over the last number of years. And you have to bear the brunt of it; it is unfortunate, because in fact, if I can be charitable, what you have done is probably more than what was done by all of your predecessors put together, probably more than any one of them or all of them were able to do. The unfortunate part about it is that you have been left a legacy, and the legacy is one which I personally wouldn't like, and which I suspect will eventually spell your doom, because you can't simply enter into the supplementing of the private housing market. That is not how you are going to provide housing for people.

Just in closing that section that I want to talk about, you find if the average family income were $12,000, which is approximately what it is, in rental at 25 per cent that the rental charge by Ontario Housing Corp. is $3,000 a year—an average monthly rent of $250 give or take a few dollars depending on whether you have got children or not, and how old they are and how many you have got—$3,000 a year from a gross of $12,000. When you then deduct all of the other things that have to be paid out of that, you find that that, together with the normal requirements of a family—food, insurance, and whatever other things are normal to a family—means there is no way, no way under the sun, that those families can move in in sufficient numbers, either to the Ontario Housing Corp. home ownership programme—because you don't build a sufficient number of them—or into the private market, because

the private market is far, far above their capacities. And in ownership, if you did have a $12,000 income, you would pay out $3,600 for monthly carrying charges—that is mortgage principal and interest.

It just can't be done. It can't be done under the existing system and I have to say to you that part of that problem is because you are very short-sighted about the entire housing field. I wonder, I wonder.

Let me talk to you for a moment. I am not going to read it all because there is much more than your seat could bear or my voice could carry.

One of the basic problems that confronts the minister is the one that was alluded to by my colleague from St. George, and that is the whole area of rental accommodation. I don't think for one minute that he believes that the actions that the Ontario Housing Corp. has recently undertaken, or for that matter the projected actions of the Ontario Housing Corp., are likely to have any significant effect on the vacancy rate in many of the municipalities in the Province of Ontario.

The vacancy rate is so low at the present time, in most communities, that it would take a massive influx of housing in order to make any appreciable impact. In June, 1974, the vacancy rate in Hamilton was 2.1 per cent; in Ottawa it was 3.5 per cent; in Thunder Bay it was 1.7 per cent; in Toronto it was 0.9 per cent; in Windsor it was 2.9 per cent.

In order for the minister to have any impact or effect on that vacancy rate he would have to be building three times as many housing units for rental purposes as he is currently involved in. He would have to put all of the housing units that he builds in the Province of Ontario, for example, into Metro in order to have any appreciable impact on the ever-increasing population of Metro, over and against the vacancy rate within the existing housing that is available for rental purposes. And he would have to put a substantial number more into all of the other communities that I've mentioned.

There isn't anything in the ministry's programme that talks about a major assault in the rental housing area. There is no indication in his programmes of any major effort. He talks of Metropolitan Toronto and how he is going to pour in many millions of dollars for the development of rental accommodation, but the unfortunate part about it is, that even if he was able to meet Metro's problem, which he won't, he wouldn't have begun to meet the problem that confronts the remainder of the other municipalities around the province.

There is not a sufficient number of units being built, and that is evidenced by the increasing numbers of people on the waiting lists in every single municipality that has rental accommodation under the Ontario Housing Corp. There are more and more people who desperately need to get into these houses, the simple reason being that the private sector has opted out.

The private sector is very funny, you know. It claims the right to be the sole provider of housing, until such time as it's not too profitable and then it wants somebody else to do it. That's typical, and that's how it's been done over many years.

I want to suggest to the minister that in the whole area of rental accommodation, unless there is an absolute commitment by the government to a rent-supplement programme —not this meagre effort that's going on behind the scenes at the moment, but a commitment to a true rent-supplemental programme—and unless it is prepared to take some very positive steps to maintain rental levels at the levels that they are, or for that matter, to roll them back to the levels that prevailed in the spring of this year and beyond, then the government is not going to be able to protect the people of the province who, out of necessity, must rent from the people who happen to be taking advantage of their extremely lucrative position at the moment with regard to the vacancy rates.

What I'm really saying is that on looking at the minister's programme, I don't for one moment deny that he has built more houses than his predecessor. That may be true. I don't, even for a moment, deny that he personally would like to see an improvement in the housing stock of Ontario Housing Corp. and in the housing stock of the Province of Ontario. I don't suggest, even now, that he doesn't have a sense of commitment about the job which he is doing.

I just simply suggest to him that he cannot have the kind of impact in the housing field that must be felt, if he is going to act simply as an addition to the existing housing markets. As the Ontario government, he is going to have to provide an alternative market of lower-priced housing, perhaps with fewer frills, in order that people can choose between two fireplaces and no fireplace, between an attached garage and no attached garage, between a finished basement and no finished basement. In other words, you are going to have to provide a fully integrated alternative market that will enable people to

get away from the traditional sources and to go into a market that will provide them with basic accommodation at a cost that they can afford, given the wage structure in the Province of Ontario.

I think we were all raised in the same kind of house that I was; there was about three feet between it and the one next door and a very small backyard. I managed to survive it and so did most other people. I suggest to you that we have allowed the developers and builders to create for themselves a market, in consultation I suppose with many municipalities, that provided them with the largest possible return for their investment, and by so doing we have ensured that the cost of housing is well beyond the means of the majority of people.

We seem incapable of providing mortgage interest rates that will reduce the level of payment to one which will be within the means of the majority. We seem incapable of producing housing that will be available in sufficient numbers at a price that the majority can afford, and I think that that incapacity is a lack of desire on the part of the government rather than a lack of honest-to-God resources. I think the resources are there. I think the government has the capacity to do it if it desires. Frankly I don't think you have the will.

Mr. Stokes: Where is the commitment?

Mr. Chairman: Does the hon. minister wish to respond at this time?

Hon. Mr. Irvine: Mr. Chairman, I would like to address my remarks, first of all, to the member for St. George, but as she is not in the House at this particular time—

Mr. M. Gaunt (Huron-Bruce): She will be in.

Hon. Mr. Irvine: —I could go to the member for Wentworth and then come back to the member for St. George.

Mr. Gaunt: She will be in.

Hon. Mr. Irvine: Thank you. The member for Wentworth was not as long as we generally anticipate and I can understand the member's absence.

Mr. R. Haggerty (Welland South): You are improving now.

Hon. Mr. Irvine: I would like to direct my opening remarks to your statement that was made a few moments ago.

Mr. Stokes: Your usual obnoxious self. I think I will go out now.

Hon. Mr. Irvine: The first point was the matter of a public inquiry in regard to the Ontario Housing Corp. Now I have before me a document, which has your name at the bottom and which says "For immediate release," in regard to the Ontario Housing Corp. I wonder if the member could advise me whether or not this is a document which has been given publicly outside the House, which has been given with her consent and which I would then like to inform the members of the House of tonight?

Mrs. Campbell: It was a press release which was issued today, yes. It was issued. I did not see it before it went out of the office but I certainly stated in it that I would be requesting an inquiry into the affairs of Ontario Housing, that I wanted it to have the power to subpoena the books and records, that we had asked for this information and had not been able to get it, that we had been denied it by the government, that information reaching my office—this is taken from exactly what was given for the statement—indicates very clearly that over the years the affairs of the corporation were carried on against a background of gift-giving and socializing with those involved in doing business with the corporation. The cases involving OHC presently before the courts, in my opinion, will not reveal all the facts or in any way indicate the prevalence of influence peddling and a public inquiry is absolutely necessary. That is was what was dictated for the press release.

Mr. J. Riddell (Huron): Right on.

Hon. Mr. Irvine: Mr. Chairman, I would like to thank the hon. member for confirming what I have in front of me, and I would like to read it into the record:

> This afternoon, Nov. 12, Margaret Campbell, Liberal MPP for St. George, called upon the provincial government to initiate a full public inquiry into the activities of the Ontario Housing Corp.
>
> "The Ontario Housing Corp. must be investigated fully and the activities of officials at every level, including the board of directors, must be scrutinized very carefully," said Mrs. Campbell.' "A full, official inquiry is imperative and all records, including the corporation's books and the minutes of the board of directors' meetings must be available for scrutiny.

"In the past, when we have requested that these documents be made available to the members of the Legislature, we have been refused. If necessary, the power to subpoena should be exercised by those conducting the inquiry.

"Information has reached my office which indicates very clearly that the affairs of the corporation have to a very great extent been conducted against a background of socializing and donation of gifts by developers and others interested in transacting business with the corporation.

"At the present time, there are cases involving the Ontario Housing Corp. before the courts but, in my opinion, these only relate to a comparatively small proportion of the widespread practice of influence-peddling which has been prevalent for some years.

"Senior officials have been involved in these activities and have, therefore, not been in a position to give any moral leadership. A public inquiry is long overdue and should be initiated without delay."

Mr. Chairman, that's a very serious charge. I think the hon. member, as a lawyer and one well aware of the law, should be also aware of the fact that when we make a charge such as this, especially since this case has been investigated by the OPP for some months, if you have had information before you for this length of time or any length of time, I would think it would have been imperative for you to inform the OPP that the MPP for St. George had certain information in regard to OHC.

I will join with any member in this House in the first instance in saying we want to make sure the operations of any part of this government are clear. However, I fail to understand how the hon. member can make such a charge, having known full well this investigation was before the OPP and certain charges have been laid. Certain more charges may be laid.

I think it is a very serious allegation to make against senior officials, unless the member has the information to support the allegation. I would look forward to receiving from the member at her earliest opportunity the information, which I would wish to pass on to the OPP, in order that this particular charge can be put before the proper authorities and certainly indicate who is guilty and who is not.

Mrs. Campbell: Mr. Chairman, I'm so glad the minister is now anxious to see that all of these matters are clarified. Will he now produce the minutes of the board meetings and the records of the corporation to this House, in his anxiety to give to the people of this province a full and clear view of that operation?

Mr. E. R. Good (Waterloo North): She will put you on the spot.

Mr. Riddell: You bet you are the one that is concerned.

Hon. Mr. Irvine: Mr. Chairman, the hon. member, and the hon. members, I think better remember this very carefully—

Hon. Mr. Kerr: Playing politics.

Hon. Mr. Irvine: An allegation has been made which has to be substantiated. If this allegation is not substantiated, I want the hon. member to withdraw it at the earliest opportunity in the House and publicly.

Mr. Good: What are you so defensive about if you have nothing to hide?

Hon. Mr. Irvine: I say to you right now that I will make sure that everything is public when it is shown to me and to the Ontario Provincial Police—

Mr. R. F. Ruston (Essex-Kent): You are qualifying it now.

Mr. Good: Do you still fly the chairman to Florida?

Mr. Chairman: Order.

Hon. Mr. Irvine: —and shown to the courts that there is a need for an investigation.

Interjection by an hon. member.

Hon. Mr. Irvine: Mr. Chairman, I am not going to be drawn into any witch hunt whatever, but I don't think the hon. member means this. If the hon. member—and I hope she has information—if she hasn't information which relates to this press release, I would like to be informed as of now, rather than later, because it does place a very serious charge against senior officials of my ministry. I feel there is an obligation upon her to produce to this House tonight any information she has, or at the earliest opportunity.

Hon. Mr. Kerr: Very drastic way to get the minutes.

Hon. Mr. Irvine: I don't think that is the proper way to ask for a public inquiry,

when she knows an inquiry has been on for many months.

Mr. Ruston. An investigation, not an inquiry.

Hon. Mr. Irvine: So, Mr. Chairman, I have made my point as far as that is concerned. The member can deal with it as she sees fit.

Mr. Riddell: That is a lot of words to answer a question you haven't answered. What about the minutes?

Hon. Mr. Kerr: All she wants is the minutes I guess?

Hon. Mr. Irvine: Mr. Chairman, the hon. member for Huron is a rather new member like myself—

Mr. Good: How much more proof do you have to have?

Hon. Mr. Irvine: —and doesn't really understand that you don't have a public inquiry until you have proven the need for one. Maybe if the hon. member would do his homework with his colleague, the member for St. George—

Interjection by an hon. member.

Hon. Mr. Irvine: —he would know more about the situation; because he doesn't know what he is talking about.

Interjections by hon. members.

Mr. Chairman: Order please, if the member for Waterloo North wants the floor, I will give him the opportunity.

Mr. R. G. Eaton (Middlesex South): That is about all the member can do.

Mr. Ruston: He is not really saying anything.

Hon. Mr. Irvine: Mr. Chairman, in regard to the Ontario Housing Corp., I don't believe that it has been a buffer for the Ministry of Housing. As far as I am concerned, as far as the government is concerned, the Ontario Housing Corp. has fulfilled a very great role in regard to housing throughout all of Ontario. It will continue to do so, and I will make sure it does. Every official who works for the Ontario Housing Corp. is working on behalf of the people of Ontario, and will continue to do so in the future.

So I will say right now, Mr. Chairman, to the member for St. George, that the corporation is not a buffer. It is part of the Ministry of Housing. It is a very great part of the Ministry of Housing, and will continue to be so.

The member brought up many points in regard to OHAP, which I am quite willing to answer when my officials are here. We will have the details for you. But I think one thing that you must remember is this: That when we talk about the Housing Action Programme, we are talking about bringing serviced lots onto the market and providing housing unit starts much sooner than ordinarily possible. These are accelerated starts; they are financed at a lesser rate than usual.

Those starts that we have brought forth in our proposals that were announced in the House not long ago, were starts that would not have been finalized. Fair enough—the building permits are there. Fair enough—the buildings were half built. But that doesn't mean to you or to anyone else that those particular units would have been finished. We entered into agreements to ensure that we had the housing units finished. I am saying to you that if it hadn't been because of our financing, because of the fact that we provided the mortgages at a reasonable rate, there wouldn't have been those units.

Mr. Deans: Are you telling us that the buildings were started without the financing having been arranged? Oh come on; don't give us a lot of nonsense.

Hon. Mr. Irvine: Mr. Chairman, the member for Wentworth—

Mr. Deans: That is a lot of nonsense. You know nobody starts a building in this province without mortgages being arranged.

Hon. Mr. Kerr: Sure they have, sure they have; with interim financing.

Mr. Deans: Oh come on.

Hon. Mr. Kerr: Waiting for an estate to be probated.

Hon. Mr. Irvine: The longer he stays in the House the less patience he has, because he hasn't really achieved too much. Why don't you just sit back and listen?

Mr. Deans: But you talk so much nonsense.

Hon. Mr. Irvine: You know, you've been here for so many years, and you've admitted yourself that you haven't heard anything because you haven't listened. Now why don't you try and listen? And why don't you try to understand?

Mr. Deans: I didn't say I have heard nothing. I have heard everything you have said, and it has not amounted to anything. I have heard every single minister from Stanley Randall to you, and you still haven't produced the houses that the people of Ontario can afford.

Hon. Mr. Kerr: Oversimplified; certainly it is an oversimplification, and you know it.

Interjection by an hon. member.

Mr. Chairman: Order. The member for Wentworth has not got the floor. The minister has the floor. The minister shall proceed.

Hon. Mr. Irvine: Thank you, Mr. Chairman. The hon. member for Wentworth—I'll reply to him in due course; but socialists generally try to get into a debate in which they are not knowledgeable, in any event.

Now let me go back to the member for St. George for a minute, if I could. We want to make sure that the member and her colleagues, and everyone else are very fully aware that this government is not blaming municipal governments for the lack of housing. We are saying there is a lack of community acceptance for low- and moderate-income housing. That is what I said in my statement; that is what you can read.

And hon. member: We're grateful.

Hon. Mr. Irvine: It's not the municipal governments, but I will say to you that some of the fault has to be with the federal government because of the interest rates—

Mrs. Campbell: And none of it is with you?

Hon. Mr. Irvine: —because the interest rates have to be very detrimental to the housing starts.

Now, if your federal colleagues had taken into their own hands the right they have to reduce the interest rates before now, we wouldn't be in as much of a problem with regard to housing throughout all of Canada. It's not just Ontario; it's all of Canada.

The hon. Barney Danson has brought forth a programme which is limited dividend, as ours is. We agree with it. It's at eight per cent, but we are saying to you that the federal government must go into a much greater funding—

Mr. Ruston: Six per cent to build a new hotel; six percent to put up a Holiday Inn.

Hon. Mr. Irvine: —of much lower mortgage interest rates.

Mr. Riddell: Four per cent to put in tile drains.

Hon. Mr. Kerr: That's for the farmers. It's a programme for farmers.

Interjections by hon. members.

An hon. member: You'll get four per cent for a farm drain?

Mr. Deans: Yes, come on. You have more answers than he has. They are equally wrong.

Mr. W. Ferrier (Cochrane South): Is the Solicitor General against farmers?

Hon. Mr. Kerr: No, I am for them.

Hon. Mr. Irvine: The hon. member, Mr. Chairman, made some comments about senior-citizen accommodation. Well I haven't been around as long as the hon. member, but I can tell you that everywhere I have been in Ontario, and I have been in a few places, the senior citizens are delighted with their accommodation. We have built more senior-citizen accommodation than any other province in the Dominion of Canada, and no one can dispute that.

Interjections by hon. members.

Hon. Mr. Irvine: I am telling you the senior citizens are proud of the accommodation this government has provided for them, and they look forward to this government providing for other senior citizens in the future.

Mr. Ruston: Money from Ottawa.

Hon. Mr. Kerr: And they vote the right way to.

Mrs. Campbell: Mr. Chairman, would the minister yield on that point for clarification?

Mr. Chairman: The hon. member for St. George would like a clarification.

Mrs. Campbell: If the minister had been listening to what I said, I was not talking about the units; I was talking about the services. If the minister had wished to be present at the recent housing conference of the elderly people of this province, he wouldn't be questioning what I said—his deputy was there for at least a luncheon period. I did not talk about the units; I talked about what is evident, and that is the lack of services to the senior citizens.

Hon. Mr. Irvine: Mr. Chairman, I am glad the member has more fully explained what she meant by her former remarks. I still say,

though, the accommodation and the services that we have in Ontario are comparable to any other province, any other jurisdiction—

Mrs. Campbell: That's not true.

Hon. Mr. Irvine: —and I believe that this can be borne out by the experiences that have been shared by all of our senior citizens in Ontario.

Now I want to quote the hon. member. "There is something owing," I think she said, "by the people of this province."

Mrs. Campbell: "To the people."

Hon. Mr. Irvine: "Something owing to the people."

Mrs. Campbell: By the Ontario government.

Hon. Mr. Irvine: All right. The member, I believe, has changed somewhat her wording in the past, but in any event my interpretation was that there was something owing by the people of this province. Yes there is. There is something that will come about in the next federal election. The people of this province owe the Province of Ontario a darn good federal Conservative government and I think they will have one. I think that the member for St. George—

Mr. Ruston: They are not even going to have one in Ontario at the end of next year.

Hon. Mr. Irvine: —recognizes this but is just a little bit ashamed to admit that maybe the federal government is part of the problem that we have right now; and certainly the federal government that we have in Ottawa did not implement any controls whatsoever.

Hon. Mr. Kerr: You all voted for inflation on July 8.

Hon. Mr. Irvine: They did not try to control inflation, did not wish to even attempt to control inflation, and have not at any time tried to make sure that we haven't got the inflationary pressure that we have at the present time. I am saying to the hon. member that I have asked the hon. Barny Danson and his colleagues to try and stop—

Mr. Ruston: Your Treasurer (Mr. White) with his deficit financing is helping.

Hon. Mr. Irvine: —this inflationary impact, upon not only housing but upon all of the commodities which we use in everyday life.

Mr. B. Newman (Windsor-Walkerville): You are not wearing a halo, are you?

Mrs. Campbell: What are you doing personally?

Hon. Mr. Irvine: Mr. Chairman, the hon. member—

Mrs. Campbell: Mr. Chairman, one of the problems in this whole area—

Mr. Chairman: The minister has the floor.

Mrs. Campbell: I know, but he is misinterpreting what I said.

Hon. Mr. Irvine: We will probably have lots of time to talk about whether we have misinterpreted some remarks or whether we have other differences, but in any event we might as well carry on for a little while. We have got a few more minutes.

Mr. Ruston: You haven't said anything yet.

Hon. Mr. Irvine: Why don't we just get back to the point of whether or not this is a shared responsibility? I really believe it is, and I think the shared responsibility starts, first of all, with the federal government; secondly with the province; thirdly with our people in the communities. All right, if we have that, then we can say to you that whether or not the federal Tories said certain things were going to happen if they got in, let's talk about what is presently before us. We don't have a federal Conservative government in Ottawa.

Mr. J. R. Breithaupt (Kitchener): Hallelujah!

Hon. Mr. Irvine: We should have one. We all know that. We should have one. We haven't got one, so what happens? We have the worst mess we ever had. And I want to say this to you, that if some action had been taken—

Hon. Mr. Kerr: That's what John Kenneth Galbraith said; permanent wage and price controls.

Hon. Mr. Irvine: —we wouldn't have a problem with rents and with the question of rent control.

Mr. Ruston: You have the power here.

Mrs. Campbell: I think that was your jurisdiction.

Hon. Mr. Irvine: Let us go back to the situation in British Columbia, where they put

in rent controls for a short time; eight per cent, and recently they had to raise it to 10.5. Next month they may make it 12 or 13 per cent. You know what happened?

Hon. Mr. Kerr: No apartments.

Hon. Mr. Irvine: Do you know what the message is? Neither the tenants nor the owners are happy, neither one is happy. That's the message. So let's not talk about rent controls right now until we know exactly whether or not supply, as I say, can look after the problem which we have before us.

I guess, Mr. Chairman, that's about all the points the hon. member brought out this time. The member for Wentworth went on at great length with a—

Mr. Deans: Not at great length. You said yourself it wasn't as long as you expected.

Hon. Mr. Irvine: —speech which I have heard so many times. I knew exactly what you were going to say. The only thing is, when you start giving me compliments that's when I get uneasy.

Mr. Deans: They were tongue in cheek, believe me. When I compliment you, it is tongue in cheek.

Hon. Mr. Irvine: Tongue in cheek, I thought so; fair enough. But in any event, let me make it clear to the member for Wentworth and his party, the socialist party of Ontario—

Mr. Deans: Yes, that's right.

Hon. Mr. Irvine: —that there's no way this government is going to take over all the housing programmes, all the housing developments and all the other developments in the private enterprise—

Mr. Deans: No one has suggested that.

Hon. Mr. Kerr: Yes, you have.

Hon. Mr. Irvine: That's what you said; that's what you said.

Mr. Deans: I said for as long as—

Hon. Mr. Irvine: Check Hansard. You said you would, as a socialist government, take over all the housing.

Mr. Deans: I did not say that.

Hon. Mr. Irvine: You said you would be responsible for housing—

Mr. Deans: I did not say that.

Hon. Mr. Irvine: —and you would want to be the one to have housing for everyone.

Mr. Deans: On a point of order, I don't mind having the minister say things, but I did not at any time say that we would take over all of the housing. I said that you should create an alternative market of sufficient size to allow the people who are being gouged another place to go to look for a modest house at a reasonable price. If you can twist that around, you go right ahead, because you are good at twisting things around.

An hon. member: So are you.

Mr. J. M. Turner (Peterborough): Who is?

Mr. G. Nixon (Dovercourt): That's his job.

Hon. Mr. Irvine: Mr. Chairman, the hon. member talked about OHC in the past buying certain parcels of land. Let me say this, we're buying land right now for the future, and I think it's good business.

Mr. Deans: You're right.

Hon. Mr. Irvine: I think this government should try to buy up certain parcels of land in order to control the price not only of the land but the ultimate cost of housing.

Mr. Deans: But you never use it.

Hon. Mr. Irvine: I say to the hon. member that we have done this and we are going to continue to do it. We're going to use the funds that are available to us to make sure we control the ultimate cost of housing, whether or not—

Mr. Deans: Are you taking the responsibility for the present cost?

Hon. Mr. Irvine: —the hon. member agrees with the philosophy. That really doesn't surprise me, because I know the socialists want to take over everything in regard to private enterprise.

Mr. Deans: That's nonsense!

Mr. F. Young (Yorkview): Who told you that?

Mr. Deans: I like the way you can twist everything around to satisfy yourself.

Hon. Mr. Irvine: The only point, Mr. Chairman—

Mr. Deans: But if you are taking responsibility for the price of housing now, that's right.

Hon. Mr. Irvine: —the hon. member brought out quite clearly was, if I understood him correctly, that he thought we would have 90,000 units this year.

Mr. Deans: I say I think you will have no more, and that's down from last year.

Hon. Mr. Irvine: And 90,000 units is what I had said.

Mr. Deans: How does that begin to meet a need which is even greater this year?

Mr. Chairman: Would the hon. member for Wentworth please let the minister have the floor?

Mr. Deans: Don't interrupt me when I'm interrupting the minister.

Mr. Chairman: The minister didn't interrupt you, so why interrupt the minister?

Hon. Mr. Irvine: I am delighted to have him interrupt, because every interruption he makes makes less sense.

Hon. Mr. Kerr: How many board feet in 90,000 homes? How much lumber in 90,000 homes? How many man-hours of construction?

Hon. Mr. Irvine: What I'd like to be sure of is that the hon. member does know this, that we will produce, as a government, as many units as possible to supplement private enterprise.

Hon. Mr. Kerr: How many bags of cement? You're just in the numbers game over there.

Mr. Deans: Would you ask your colleague to stop interrupting? I can't listen to him and you at the same time.

Mr. J. Root (Wellington-Dufferin): Why don't you keep quiet so we can all hear the minister?

Mr. Ferrier: That's not a very good speech for a Baptist.

Interjections by hon. members.

Mr. Deans: Now I have to suffer from the root of all evil.

Mr. Chairman: Would the minister please proceed?

Hon. Mr. Irvine: Yes, I would like to proceed, Mr. Chairman, but I'm not going to shout myself hoarse. If these people want to carry on an interchange, they can do so. I don't mind; I can stand up here for a long time.

All I want to point out to the hon. member for Wentworth is this: When you mention that we haven't provided any funds for rental accommodation, again you weren't listening too closely. We have $50 million allocated as recently as last month. We'll have more money than the federal government has given to us on the limited dividend programme. We are doing more than the federal government in every programme in housing.

Mr. E. Sargent (Grey-Bruce): Not one single apartment did they complete in Toronto and you know that.

Hon. Mr. Irvine: All I'm saying to the hon. member is that when you stand up as you did and you say that the government of Ontario has not recognized housing needs from the time of Stanley Randall—

Mr. Deans: That's right.

Hon. Mr. Irvine: —I say to you you're crazy. I say to you you don't understand what the housing programmes are all about. You don't understand what the needs are about because you're blindfolded with your own socialist interpretation of housing.

Mr. G. Nixon: Right on!

Interjections by hon. members.

On vote 801:

Mr. Deans: May I, on item 1?

Mr. Chairman: Vote 801, item 1, the hon. member for Windsor-Walkerville.

Mr. B. Newman: Mr. Chairman, I wanted to ask the minister what his policy is concerning rent supplements, dealing primarily with the senior citizens. Many senior citizens now are content to live in the accommodations in which they are presently residing, yet they cannot afford to live there without depressing their standard of living and depressing it to the point where there is danger to their health. You cannot yet build senior citizens' accommodations fast enough in many of the communities, but you would be able to satisfy their needs temporarily up until the time you develop senior citizens' housing by simply providing to them a rent supplement, so that they, living in supplemented senior citizen housing accommodation, would be on the same basis as those that are presently living in geared-to-income accommodation.

Hon. Mr. Irvine. Mr. Chairman, the hon. member for Windsor-Walkerville must have different estimates in front of him than I have. Vote 801 is ministry administration.

Ministry administration, I believe, does not deal with the point he brought forth. I think the matter he referred to is in vote 804, if he wishes to examine the estimates.

Mr. Chairman: The member for Wentworth.

Mr. Deans: Thank you.

Mr. Chairman: Item 1, main office.

Mr. Deans: I am sorry; yes, item 1; policy, main office.

Mr. Chairman: That's not policy.

Mr. Deans: No, it's not policy and programme development.

Mr. Chairman: Do you want to do the two at once, 1 and 2?

Mr. Deans: I don't care. All I want is to be able to ask a question.

Mr. Chairman: Okay. Agreeable with the minister?

Mr. Deans: Given that you were so upset with the member for St. George and her allegations, I had intended to raise something during my lead-off but I overlooked it in the interests of time. I want now to raise something with you.

Why is it that all of the charges to this point have been laid against Ontario Housing Corp. employees, who were the recipients supposedly—alleged to be the recipients—of bribes, and to this points in time there has not been a single charge, at least not a reported charge, laid against those who gave the bribes? Has your investigation uncovered the people who provided whatever it was—the televisions and the many other things that were handed out, including finances, to the employees? And is it the intention of the government to lay charges of equivalent standing against those persons who bribed the employees?

Hon. Mr. Irvine: Mr. Chairman, this matter is before the Attorney General (Mr. Welch) at the present time. His office, and the Attorney General, will decide whether or not there is enough evidence to proceed in this direction. This was mentioned in the House only a few days ago—as a matter of fact, I think by your particular party.

Mr. Deans: Okay, but what are you going to do?

Hon. Mr. Irvine: I'm not sure if it was the hon. member or not. At that time, the Attorney General indicated that investigation is under way at the present time.

Mr. Deans: I want to ask you a question. I have in mind sort of elementary justice. It would seem to me that if you know that a bribe has been received, you surely must know that bribe was given. It doesn't require two separate investigations. If you know somebody got a bribe, you know somebody gave it. Is that reasonable?

Hon. Mr. Irvine: But there's a different standard applied—

Mr. Deans: What I'm about is this. If, on the one hand, a person receives something illegally, then what is it that holds up the process, what is it that's so complicated?

Mr. Good: It is more legal to give than to receive.

Mr. Deans: What is it that holds up the process that doesn't enable you to tell me whether you intend to lay charges in any of the cases—or have charges laid? You personally didn't.

Hon. Mr. Irvine: Mr. Chairman, I think the member is missing the entire point. I am not prejudging anyone—

Mr. Deans: You have laid charges.

Hon. Mr. Irvine: —and our ministry is not prejudging. At such time as the courts have decided that some past employee, or employees, has received certain gifts, and has in their opinion gone against the laws of Ontario, then at that time I think we are in a position to say that the person is not only guilty but possibly there is some other action to be taken. How can you assume right now that anyone is guilty? Surely you are not saying that.

Mr. Deans: Oh now, don't start that kind of garbage with me. I said "alleged"; "it was alleged."

Hon. Mr. Irvine: What's the difference?

Mr. Deans: I said "alleged" and I chose my words very carefully because I know how carefully you twist other people's words around.

An hon. member: Right.

Mr. Deans: Don't try it with me, don't try it with me.

Interjections by hon. members.

Mr. Deans: What I am asking you is: How is it that you are prepared to drag the names of all the employees through the mud, when you don't know if they're guilty—neither do I—but you are prepared to let those people who allegedly gave the merchandise, that was allegedly received by the employee, to wait until after somebody has been convicted before anybody knows who was involved? That is the question that I am asking you. How is it that the employees, or former employees, are going to be dragged through the mud by this government on an alleged bribe or gift, while at the other end of the scale the people—and you must know by now who they are—who supposedly have this so-called bribe are going to be let off scot-free if it isn't proven in court that it was a bribe. Come on now, where's the double standard?

Mr. A. J. Roy (Ottawa East): Mr. Chairman, just on that issue, I might remind the minister that I asked the Attorney General about that specific point.

Mr. Deans: Where do you think he gets the answers?

Mr. Roy: The difference, of course, is that the ones who accept the gift are under a different section of the Criminal Code than those who give, and the difference is in the onus. You have to relate the gift for the giver to a specific contract, and that's where there is more difficulty and, of course, there is more mens rea, as we call it under the criminal law, of application.

I think the member for Wentworth raises a valid point when he states that, after all, the Attorney General had had this investigation under way for a period of very close to a year, I think, when these allegations were made; and I cannot understand why, after all this investigation, if any charges are going to be pending, in spite of the different onus involved, your investigation should not be complete at this stage. The member is quite right, you are dealing with accomplices and you are going to have to use the people who gave the gift, in fact, as evidence against the one who received it. In fact we don't want to prejudge the guilt or the innocence of any of the parties involved.

Mr. Deans: That's right, but you are prejudging.

Mr. Roy: But it doesn't look well in the administration of justice.

We have had a similar situation in relation to Dibblee in Ottawa where certain employees of the Ministry of Transportation and Communications were charged with accepting a gift, and the company, Dibblee, were not charged. It appears to the public, you see, that the people—the big companies, the people involved in the highest strata of the business community—are getting away with things which the employees of your department or various departments are not. I think it would be in the best interests, not only of your department but of the administration of justice, that when you come to a conclusion that there is sufficient evidence to prosecute the individuals who accepted the gifts, you are in a position to say: "We do not have sufficient evidence against the companies"; or "Certain officials of the companies are charged."

But that was not the answer of the Attorney General. He said the investigation is still going on, and I say to you that the fact the investigation has been going on for six or eight months is not good enough, because you are putting in disrepute not only your own ministry, but the administration of justice in this province.

Mr. Sargent: Declare him immoral.

Hon. Mr. Kerr: That is a lot of nonsense and you know it.

Mr. Deans: Why does the Solicitor General sit there and mutter so?

Mr. Roy: Is the minister going to answer?

Mr. Sargent: Mr. Chairman—

Hon. Mr. Irvine: Mr. Chairman, I wasn't sure whether the hon. member was getting up or not.

Mr. Sargent: Answer him first.

Hon. Mr. Irvine: In any event, the member for Ottawa East really just said two or three times what I said before to the member for Wentworth: The Attorney General is investigating whether or not charges will be laid, and when that investigation has been finalized the decision will be made known. I am not going to proceed any further because they are alleged charges, as the member has so correctly stated.

Mr. Deans: There are actually charges now.

Mr. Chairman: The member for Grey-Bruce.

Mr. Sargent: On that same subject, Mr. Chairman, my concern is that I have been talking with the people who have been

charged, and in questioning how they have been charged it seems they have been probably caught on credit cards of developers and people who have been trying to influence people in your ministry. I appreciate, Mr. Minister, that you have inherited this can of worms, as it were, but these estimates and future events will prove that what is going through in housing is the biggest pork barrel in the history of Ontario. There have been more millionaires created through racketeers and organized crime connected with this ministry, as we will show eventually. My concern is that a lot of little people in your ministry are being hurt, and I would like first of all to ask you how many people have been charged at this point.

Hon. Mr. Irvine: Mr. Chairman, the exact number to date I can't give you; as far as I am concerned, it is 22. There may be other charges that I am not aware of, though, that have been laid.

Mr. Roy: And not one donor, not one donor.

Mr. Young: There must have been 22 givers as well as 22 takers.

Mr. Sargent: There will probably be a lot more coming along the line. As my colleagues, both NDP members and the member for Ottawa East, bring out, the really guilty people are the people who have been left out in left field, who have been forgotten about.

The point I am trying to make is that my information, sir, is this: When a developer goes to your department for approval of a plan, the first approach is turned down. At no time is a plan approved at the first approach, and my bona fide information from a former official of your department is that the next step is they are referred to Mr. Kelly. Mr. Kelly talks to the developer or the applicant and then they are given directions where to go when he determines what the tariff or the fee will be on a percentage basis. Then the appointments are set up with the proper people in your department.

My concern is this. It is not the little guys, the 20 or 25 people whom you are whacking and whose lives you are ruining because they have accepted television sets, or $2,000 or $3,000, or what have you. You are taking the cowardly approach of taking these other guys and ruining their lives, and the big ball game is the pork barrel for the Conservative Party.

Mr. D. A. Evans (Simcoe Centre): Oh.

Mr. Sargent: Now don't start saying "oh." I know what I am talking about—for a change.

Interjections by hon. members.

Mr. G. Nixon: Prove it.

Mr. Root: Names.

Mr. R. D. Kennedy (Peel South): Names.

Mr. Sargent: The names will come. They will come out eventually.

An hon. member: Why not tonight?

Interjections by hon. members.

Mr. Sargent: I would like to ask the minister, where does Mr. Kelly come into the ball game as far as you are concerned?

Mr. Kennedy: He is not a builder.

Mr. Sargent: You are damned right he is not a builder, but he is the biggest builder you ever had.

An hon. member: He is the "big blue machine" builder.

Hon. Mr. Irvine: Mr. Chairman, the member for Grey-Bruce has again come up with some startling statements. I would like to ask the member, as I did the member for St. George: Produce some facts for me, will you please?

Mr. D. M. Deacon (York Centre): Are you going to produce the minutes?

Hon. Mr. Irvine: I am as interested as anyone to make sure that the statements you have made are properly looked into by the law. Let's not talk about something that you heard third-hand or seventh-hand. Let's talk about something which you have in writing, and let's talk about the actual facts as to how things do develop in the ministry. Mr. Kelly has no relationship whatsoever to the Ministry of Housing.

Mr. Deans: Which ministry is it he is related to?

Hon. Mr. Irvine: I am the one who has the final signature to put on there. There are other signatures before me, many of them, and it goes through many areas besides the Ministry of Housing before certain expenditures are approved.

I would like you, as an hon. member of this House, not to stand up and make statements unless you are able to give me something that is factual. I know you, and have

known you for some while, and I appreciate your concern. But I want you to understand that I have concerns too, and I want to get down to the bottom of whatever you are saying to make sure that you understand that as long as I am the Minister of Housing I will make sure that everything is on the up and up at all times.

Mr. Sargent: Okay. Mr. Chairman, if you want some facts and figures to set the ball rolling, I challenged you in the House today to furnish the facts of the Saltfleet development wherein Jon-Enco got a cheque for $6 million on Jan. 7, 1967, for 1,500 acres of land at $4,000 per acre, when Mr. Murchison, chief land developer for your department, was opposed to it entirely because his appraisers and his evaluators and assessors said the land was only worth, at top, $2,000 an acre. They paid this Jon-Enco $6 million—$3 million more than they should have—and Mr. Murchison, now resigned, is now a vice-president of Y and R Properties Ltd. in Toronto. He resigned because he couldn't go on with this type of goings-on in your department.

Why pay $3 million more when the appraisal men your ministry had and the top evaluator said the land was only worth $3 million? Those are facts he can start with. I'm asking him to produce the files—

Mr. Roy: And the minutes.

Mr. Sargent: —and the minutes of those meetings to prove the fact that I'm not telling him something untrue because we know it's the truth.

You will tell me, sir, as the Provincial Secretary for Resources Development (Mr. Grossman) told my friend from Downsview (Mr. Singer), that it's not in the interest of good government and the third parties involved who might be hurt that you divulge this public information. I suggest to the minister it's not in the public interest that he should be minister of a department when he condones such facts as these. Furthermore, we will produce to him the names of all the properties involved that Jon-Enco bought from the farmers who were paid only $1,500 an acre. When those farmers find out that Jon-Enco got $4,000 an acre, all hell is going to pop loose. That's what we are going to produce. If the minister wants to play some games, we'll play some games with him. We'll start right now.

Mr. C. E. McIlveen (Oshawa): Produce it.

Mr. Roy: Produce the minutes.

Hon. Mr. Irvine: Mr. Chairman, can we establish the fact, which I think the member for Grey-Bruce said, that the case was in 1967?

Mr. Sargent: That's right.

Hon. Mr. Irvine: And this is what he referred to this afternoon?

An hon. member: Where has the minister been all this time?

Hon. Mr. Irvine: I am of the understanding that he has asked this question before, but I said to him this afternoon—

Mr. Sargent: Today.

Hon. Mr. Irvine: —that I will produce the information requested.

Mr. Sargent: The minister said he would investigate it.

Hon. Mr. Irvine: And I said I would report to the House.

Mr. Sargent: I want the files and the minutes of the meeting. I want the proper bill of sale, the whole ball of wax of the original property.

Hon. Mr. Kerr: All the member needs is the appraisal.

Hon. Mr. Irvine: Mr. Chairman, I think the hon. member for Grey-Bruce had the answer many times before. I told him this afternoon that I would report to the House. I'll do so.

Mr. Deans: Can I interrupt a moment, because this whole transaction, as the member for Grey-Bruce will recall, I think, I raised in the committee about 1968, and we had a lot of difficulty trying to get information? The fact of the matter is this, that the land was partially assembled by one real estate company. It was then assembled in total package by Balys Kronas—

Mr. Sargent: John Enco.

Mr. Deans: No—of Kronas Realty. Kronas Realty did the final assembly.

Mr. Sargent: The payment was made to John Enco.

Mr. Deans: Wait a minute. Kronas assembled the land on Saltfleet Mountain—the final assembly of it. It was begun by one real estate company and was taken over by Kronas and assembled by Kronas. It was then sold to Jon-Enco, which was a holding com-

pany in Toronto. That's all. I couldn't even trace them down. Even by going through the corporation records I couldn't even find out what kind of business they were in in 1968.

Mr. Young: They were set up especially for the purpose.

Mr. Deans: It seemed, I might say as my colleague has said, it was set up especially for the purpose of transferring the land from Kronas Realty to the government of Ontario.

Mr. Roy: Right. That is not unusual.

Mr. Deans: That's the situation. I think it was John Enco, in fact. It doesn't matter. At this stage my mind's a little fuzzy on the actual name. To my knowledge, they did no assembling of land but they acted as a pass-through. It was one of those operations which brought the land from a $2,000—

Mr. Gaunt: It's almost a put-through.

Mr. Deans: A put-through, that's right; like a put-through as we had in the Hydro deal. I can recall the discussion that centred on that particular thing. I asked for the same kind of information the member for Grey-Bruce is now asking for. There's no doubt that what was paid for that land initially by Kronas Real Estate was nothing like what was paid by the Ontario government to John Enco. There's no question about it. And there's no question either about the fact that Jon-Enco did nothing at all to improve that land. There was no change in the land.

My colleague from Wentworth North (Mr. Ewen) may recall the situation. It came out on the eve of the 1967 election. We've discussed it in passing once in a while and very infrequently, but not in this kind of detail. I've got to tell you there was something very funny about that land transaction, and the member for Grey-Bruce is right.

Mr. Riddell: Right on.

Mr. Deans: Something very strange happened in that transaction. It was extremely strange that Kronas, for example, didn't sell it directly to the Ontario government, because Kronas is a big outfit and deals with the Ontario government. They could quite easily have sold it directly, had the Ontario government wanted the land. The passage of time between the initial assembly and the time it was sold to the Ontario government was short indeed. Now whether this was a tax dodge or whether this Jon-Enco was ever actually a company remains to be seen, because I haven't seen hide nor hair of them since the day they sold it to the Ontario government.

Mr. Sargent: They're not in the phone book now.

Mr. Deans: They certainly haven't owned anything in Hamilton since, and to my knowledge they haven't sold anything to the Ontario government since then. I would be interested, like the member for Grey-Bruce, in knowing why it is, because this is what I was trying to talk about when I spoke to Stanley Randall. It was exactly on that issue that we were locked at the time he told me he wasn't in the business of competing with the private developers.

Whatever was paid by the Ontario government for that land, which is now added to substantially by the cost of the development of that land, will now be borne by the people who are going to have to live on that land. If, as my colleague says, you paid twice what that land was worth, knowing full well what it was worth, and if you ended up buying from a front operation when you knew full well that it had been in the hands of a real estate company a matter of months just previously, then there is something drastically wrong with the way your operation goes about its business.

Mr. Roy: The onus is on the minister to produce the file. We have given him the case, so he should produce the file.

Mr. Deans: I can go further if you want.

Mr. R. S. Smith (Nipissing): Mr. Chairman—

Mr. Chairman: Before the hon. member for Nipissing continues, the Chair is trying to rationalize this discussion in relation to the 1974-1975 estimates.

Mr. Sargent: We're talking policy.

Mr. Chairman: I am wondering if you would clarify the relationship for me.

Interjection by an hon. member.

Mr. R. S. Smith: I will clarify my position. As I understand it, this afternoon and this evening, the spokesmen from the two opposition parties have asked that the minister set up an inquiry into the Ontario Housing Corp.; and if that is done, of course, it has to relate to what has taken place over the years.

The point I am going to bring up is the one I raised in 1968 and 1969 in the estimates of this same department, when Mr.

Randall was minister, and that is the question of a land purchase in the city of North Bay by the Ontario Housing Corp. from a group called Popeil, which is a friendly group of Tories from the Thunder Bay area. They had some land in North Bay which they held for a very short period of time and sold to the Ontario Housing Corp. at the rate of $4,300 per lot, if I remember correctly—and I am going back six years, so some of the details may not be exact, but it is exact to the point where it is within $100.

Those lots were bogged and waterladen. Nobody wanted them. None of the developers wanted them. None of the builders wanted them. But there were 100 lots, and they were sold to the Ontario Housing Corp. at the rate of $4,300 each when similar lots in the same subdivision, on good land, were being sold at the rate of $3,700 per lot and the appraised value by local appraisers was about $3,000 per lot for the 100 lots that were sold to the Ontario Housing Corp. So there was a difference of perhaps $1,300 per lot, and on 100 lots that is $130,000 more than the actual value of the lots at that time.

Since then, of course, we have had inflation, a building boom and everything else, and the lots did become useful. They were sold under the HOME programme to certain builders who went in and built on them and spent $800 to $1,000 per lot to fill them in, for which they were never recompensed by the Ministry of Housing or by the Ontario Housing Corp. and which represented, by the way, their profit on the building, so they built in there for nothing. But the fact of the matter is those lots were sold in a block to Ontario Housing Corp., when nobody else even wanted to look at them, for $1,000 to $1,300 more than they were worth. What it did was to increase the value of every other good lot in the area. That's where the real catch is. The ordinary guy down the street had to pay $1,500 more for a decent lot because Ontario Housing Corp. was in there paying ridiculous prices. Involved in the purchase of those lots was the Ontario Housing Corp. itself—

Hon. Mr. Irvine: Who else then?

Mr. R. S. Smith: Who else?

Hon. Mr. Irvine: Yes.

Mr. R. S. Smith: The Ontario Housing Corp., the people from whom they bought Popeil—

Hon. Mr. Irvine: Mr. Chairman, I just want to find out from the member, if he would, what developer we are talking about? Can we have some names tonight—or do you have them?

Mr. R. S. Smith: Popeil, I said.

Hon. Mr. Irvine: Anybody else?

Mr. R. S. Smith: They were the owners of the property, and they sold to Ontario Housing Corp. Involved in the transfer were local North Bay people, who acted on behalf of Popeil Bros., one of whom was a contractor whose name I find very difficult to remember, but it will come to me later on. The other was the mayor of the city at the time, who was a well-known Tory and who later became one of your candidates.

An hon. member: Defeated candidate at that.

Mr. Roy: Yes, one of your defeated candidates.

Mr. H. C. Parrott (Oxford): You have a few, too, you know.

Mr. R. S. Smith: He was acting on behalf of the developer, although he has no real estate licence or anything else. But he certainly had an in—

Mr. D. W. Ewen (Wentworth North): It's the only reason he got in.

Interjections by hon. members.

Mr. Roy: Do you want any more by-elections?

Mr. R. S. Smith: You went in and out a couple of times, Don, and likely you won't get any more nominations. So we all have our problems.

Mr. Ewen: We'd walk all over you guys.

Mr. R. S. Smith: We all have our problems.

Mr. Ewen: Why are you bringing it up now, anyway?

Mr. R. S. Smith: Well, I've brought it up before, and the member was asking tonight for cases and examples—and that's what I'm giving him.

The mayor acted on behalf of these people—

Mr. Roy: You woke up at the wrong time.

Mr. R. S. Smith: —and he met down here with the minister and with Ontario Housing

Corp. officials and with the developer who was selling the property to Ontario Housing Corp.

Hon. Mr. Irvine: What day of what month of what year?

Mr. R. S. Smith: It was in 1967-1968.

Hon. Mr. Irvine: What day?

Mr. R. S. Smith: Now you are being impossible.

Hon. Mr. Irvine: I want facts.

Mr. R. S. Smith: All you have to do is look through the minutes of the Ontario Housing Corp.

Mr. Deans: You want facts? I am going to give you some.

Mr. Roy: You are not keen on giving out the facts.

Mr. R. S. Smith: And if it is not there, then your minutes are not true. Because it has to appear in the minutes of the Ontario Housing Corp.—the fact that they did buy the property and what they paid for it.

You have to have in those minutes, as well, some type of estimate supplied by your estimators of the value of the property, plus the estimates of those on the local scene who made the same estimate. That must be all in your files. If it isn't, you must have been operating an awful sloppy ship. Do you want us to do all the work for you people?

I brought this to the minister's attention in 1968. You know what he did? He looked at me and said, "So what, we'll get out of it. The property is bound to increase in value."

Mr. Deacon: The poor people who paid extra for their homes.

Mr. R. S. Smith: He said: "If we paid too much, the guy who is going to build on it is going to lose his shirt. The people who bought them are going to have water in their basements and their backyards for years." And they still have, because I'm still corresponding with your ministry in regard to some of the problems that have developed down there since that time.

But the fact of the matter is, there was $130,000 too much paid for the property—and everybody knew it. And everybody knew it was a deal made through Ontario Housing Corp. So, you can charge these other 22 poor, innocent guys who go around fixing drains and what-not, but the real problem in that place is at the top of the Ontario Housing Corp., and not down the ladder where you started to lay charges. I don't say these people were right in doing that. But on the other hand, let's start at the top and work down, rather than start at the bottom and work up.

Mr. Chairman: The hon. member for Wentworth.

Mr. Deans. Thank you, I want to go back with you to 1968, if I may, and I want to provide you with the background, because I think it's important. The Legislature opened Feb. 28, as I recall in 1968, and that was my first day.

On March 6 I asked the minister, who was then the hon. Stanley Randall, Minister of Economics and Development: "What was the total amount paid for land assembled for Saltfleet satellite city? Secondly, how much commission was paid to B. Kronas Real Estate?

Mr. Eaton: Kronas? That's the Liberal fund raiser.

Mr. Deans: Just hang on a minute, will you please? I know who Balys Kronas is as well as you do, probably better.

Mr. Eaton: A Liberal fund raiser.

Mr. Deans: Your colleague may know him better than you do, but I know him as well as either one of you or both of you combined.

Mr. Chairman, the answer to the member's question—I am not going to read it all to you.

Interjection by an hon. member.

Mr. Chairman: Order, please.

Mr. Deans: All right. This was Stanley Randall answering:

> No commission was paid by Ontario Housing Corp. to B. Kronas Real Estate, as that firm was not acting for the corporation. His commission, if any, would have been paid by the vendor, Jon-Enco Ltd.

Interjection by an hon. member.

Mr. Deans: He told me that he wouldn't disclose the price, by the way. He told me in March that he wouldn't disclose the price, that it wasn't in the public interest. He told me that nothing was paid to Kronas. He wasn't going to tell me how much he paid. So, on June 17, 1968, in the minister's estimates, I asked him: "Well, who did you deal with?" He said: "I told you the other day, Jon-Enco Construction Co. Ltd. or some-

thing." I said, "Okay, fine." I asked him who they bought the properties from; who owned the properties at the time. He told me Jon-Enco owned the properties. I said: "What was the full purchase price?" He said: "That we are not going to disclose," and I asked, "Why?" I think this is interesting when it gets down a bit. He said:

> Because we are still assembling land in the Hamilton area and we do not think it in the interests of the taxpayers to disclose it at the present time. Let me tell you this, as far as prices are concerned, when these properties are looked over they are looked over by the Ontario Housing Corp., then they are approved by our people, they are approved by the board of directors, they are approved by the Treasury in this province, they are approved by the cabinet, they are approved by the Treasury Board in Ottawa, and by Central Mortgage and Housing. And we don't think it's in the interests of the taxpayers today for the government to go out and talk about the prices for which it gets its land and so establishes new prices which we'll have to bargain tomorrow.

If all of that approval was given—if Stanley Randall was telling me what is accurate, and the government approved it, the Treasury approved it, the cabinet approved it, the board of directors approved it, it was approved by the Housing Corp., it was approved by Central Mortgage, it was approved by the Treasury Board in Ottawa—and we hear now that the price was $4,000 an acre, and we are told that the value of the land, as per the evaluation placed on it by Ontario Housing Corp. appraisers, was $2,000 an acre, how in heaven's name did all of these people, from the Premier, through the cabinet, right down to the housing minister, out into the street to Ottawa, approve $4,000 an acre?

Can you explain to me how this can occur, because away back then this could have been stopped? This was what I was talking about—the escalating prices of land and the effect that it was having on housing. This was back when houses were worth $20,000. And this was when we were talking about the effects that these kinds of purchases and these kinds of exorbitant prices were going to have on the housing markets in the Province of Ontario. This was back when I was giving the same blooming speech that I gave to you today, only today was with updated figures.

Hon. Mr. Irvine: Some of your figures today were from 1971.

Mr. Deans: I am saying that I was using figures that were available today and then. Can you explain to me what you intend to do to uncover the truth of what was alleged by the member for Grey-Bruce? Because if there is even one iota of truth in what he has said—and I don't doubt him for a minute; he said it, I'm sure, in all sincerity—then there is something desperately wrong with the way this government does business with the land speculators of the Province of Ontario.

Mr. Chairman: The hon. member for Grey-Bruce.

Mr. Sargent: Mr. Chairman, before I go on with the next question, it appeared that the only people who didn't approve of this whole package were the chief land developer of your department and all the appraisers. They are the only people who didn't approve of these prices. But further to that, I would like to ask you, Mr. Minister, in view of the fact that you have charged 20 to 25 people with accepting bribes, how many millions of dollars are involved in these 25 cases?

Hon. Mr. Irvine: I don't know, Mr. Chairman. Quite obviously this is a matter that the Attorney General has in his hands in regard to the actual charges laid, the amount involved in the charges. If you want the information we can provide it for you, but I haven't got it tonight.

Mr. Sargent: Would you explain to the House the mechanics of this operation? What happens now? Does he move into your department? Tell us what happens, will you please?

Hon. Mr. Irvine: Mr. Chairman, I'd be delighted to tell the hon. member if he would give me a couple of minutes to do so. As I understand it, this investigation has been going on for well over a year. Probably you were aware of it, were you?

Mr. Roy: Yes, we are, that's why we don't—

Hon. Mr. Irvine: And we have been, as a ministry, as anxious as anyone else to make sure that those who are guilty are proved guilty, and those who are innocent remain innocent in the eyes of all the people. But let's not cast any reflections on anyone's integrity until we know exactly where we stand in this matter. I have mentioned to you before that I would investigate the matter you brought to my attention in 1967, in 1968.

Mr. Sargent: May I interject? I am not talking about that now. I am saying—

Hon. Mr. Irvine: Just a minute. Let me talk about 1967-1968. I don't think that you or the member for Wentworth are expecting me to have an answer tonight, or something like that.

Mr. Deans: No, I don't.

Hon. Mr. Irvine: What I said to you this afternoon still stands. I will look into the matter and report to the House.

Mr. Sargent: Mr. Chairman, I have the greatest respect for the minister, I really do, and I want to say this. I have a great respect for you, sir, and I know you have inherited this thing, but I want to say this: You say you don't know how many millions of dollars are involved in the charging of 25 people in your department. It must be many hundreds of millions of dollars to take a man's name and smear it in the papers and that's what's going on here. But may I ask you what is more important: Do you have a list of the people who have bribed these men?

Mr. Deans: I asked him that, he won't give it.

Mr. Sargent: You must know what route you are going, because how can you charge a man if you don't know who is offering the bribe?

Hon. Mr. Irvine: Mr. Chairman, again, this is not in the jurisdiction of the Ministry of Housing.

Mr. Sargent: It must be.

Hon. Mr. Irvine: I can give you what has been made public knowledge; the press has had it—you have got it, I am sure. You have read the papers where certain people have been charged—

Mr. Sargent: Are you now doing business with these firms that have bribed your people?

Hon. Mr. Irvine: —certain people have been charged with having accepted certain amounts. Now when those charges, or those alleged gifts, as it may be, are proved one way or the other, then we will be able to know whether or not there is any way in which the Attorney General should proceed further in regard to those who gave the gifts. The Attorney General is handling this particular matter. The Ministry of Housing is not involved in the day-by-day operations of the law in Ontario.

Mr. Young: But why weren't those who gave the gifts charged first?

Hon. Mr. Irvine: Now, surely that is as plain to you as it is to me.

Mr. Sargent: Do you still continue to do business with these firms, Mr. Minister, that are suspect?

Hon. Mr. Irvine: I don't know what firms you are referring to.

Mr. Sargent: The firms that have bribed your people. You must start someplace. Why didn't you start with the firms who are bribing and not the people who were bribed? Are you still doing business with them?

Hon. Mr. Irvine: Mr. Chairman, again, I think what we are doing is prejudging.

Mr. Sargent: Well, you are prejudging the guys you got charged, aren't you?

An hon. member: There's enough evidence to charge them.

Mr. Lawlor: You should certainly suspend them from the rolls, for Heaven's sake!

Hon. Mr. Irvine: I'm not prejudging at all. What I am saying is that we are investigating. The Attorney General has investigated fully—

Interjection by an hon. member.

Hon. Mr. Irvine: —and the Attorney General's office will make sure that justice is prevailing in all cases in regard to the Ontario Housing Corp. or anything else.

Mr. Lawlor: A lot of malarkey; you know who they are.

Hon. Mr. Irvine: Now, don't expect me to say tonight that we are going to charge this developer or that developer, because I don't know what developers you are referring to, nor do I know what actions are being taken by the Attorney General.

Mr. Sargent: Mr. Chairman, one more point in this regard. I want to say that this is almost a kangaroo court, when you can take one segment of people who are judged guilty, and the people who are really guilty you are letting off. But further, I want to say to you, with regard to Mr. Clow, your chairman—talking about policy, Mr. Chairman. Mr. Clow, I am informed, headed a supply company called E. S. Clow Supply Co. He was chairman of Ontario Housing Corp. when Headway construction—long before your time, Mr. Minister—were getting a great share of

the moneys of the taxpayers of Ontario through housing contracts. It is a fact that in the majority of all the contracts in the north, Mr. Clow's firm supplies all the plumbing supplies and what have you for Headway and the majority of all the contracts in the north country.

Where do we stop in this business? In the first place, how in the hell did he ever get to be head of the Ontario Housing Corp., in view of his involvement and his friendship with Headway and his involvement with the supply company? Where do we stop? What kind of an operation are you running in this department? Will you please answer that?

Hon. Mr. Irvine: Yes, Mr. Chairman, very shortly. I think we are running a darned good operation, and I want you to prove otherwise.

Mr. Sargent: Well, you are the one who's got to prove that you are. I think it's a conflict of interest. Here's the chairman of a multimillion dollar corporation, with $400 million or $500 million every year—I don't know what your budget is; I haven't looked at it yet, but your land acquisition budget has been $285 million for the last few years, and here's the man who is chairman of this giant corporation playing hanky-panky in terms of supplying Headway; his favourite firm is on the contract, and then he supplies them with the plumbing materials and so on.

Now, where in the hell do we go? What are the taxpayers of Ontario going to think about this? You and I wouldn't do this in our business. We have certain ethics in our business, but why is your department rife with corruption?

Hon. Mr. Irvine: We should have some ethics in the House too. We should have some ethics—

Mr. Sargent: When I haven't, you will kick me out.

Hon. Mr. Irvine: —to make sure that when you cast reflections on anybody's integrity, I hope you will back them up. You have made some pretty serious remarks in regard to Mr. Clow. I think it is one of your most important duties, your first duty, to support those charges.

Mr. Sargent: Well, we will do it.

Hon. Mr. Irvine: I look forward to receiving that, Mr. Chairman and hon. members on all sides of this House, because I think we are in the position of trying to do a job for the people of Ontario.

Mr. G. Nixon: Right on.

Hon. Mr. Irvine: We are not trying to be in the job of creating corruption or creating something that is not in the best interests of all. There is nothing to be gained—

Interjection by an hon. member.

Hon. Mr. Irvine: —by any member standing up in this House and making some remarks that cannot be backed up by facts.

Mr. Sargent: Your first responsibility is to run a clean department, and that's what you should be doing—

Hon. Mr. Irvine: Well, Mr. Chairman—

Mr. Sargent: —and not have this conflict of interest.

Mr. Chairman: Order, please. The minister has the floor.

Hon. Mr. Irvine: Mr. Chairman, let me say again to the hon. member that as far as I am concerned, I am running a very clean ministry. I intend to make sure it remains that way as long as I am the minister, and I am sure this government wants it that way.

Mr. Good: You are clouding the issue.

Hon. Mr. Irvine: Now if you can substantiate that something has happened in the past—in 1967, 1968 or whenever you wish —fair enough; you prove it to me. But I am not going to listen, day by day—

Mr. Sargent: You produce the files. We'll show you.

Hon. Mr. Irvine: —month by month, year by year, to allegations which cannot be proved. If you have something, prove it.

Mr. Sargent: How do you know they can't be proved? Get the files. We'll show you.

Hon. Mr. Irvine: Prove it.

Hon. W. A. Stewart (Minister of Agriculture and Food): You prove it.

Mr. Chairman: The member for Yorkview.

Mr. Young: Mr. Chairman, the minister has just indicated that he is running a clean ministry. All right, let's give him the benefit of the doubt; he's a new minister.

I just want to come back to the matter we were discussing a while ago. I had no

chance to get a word in edgeways; now I have my opportunity.

Out there, in this city and other places, there are people whose names have been published in the public press as having been alleged to have taken bribes. Mr. Chairman, when a bribe is given by anybody to somebody else, the person who gives the bribe—and I think this should be clear—if a person receives a bribe of a $1,000 or $450 or $500, he gets that in cash or merchandise, but the person who gives the bribe expects to get value far in excess of that amount.

Mr. E. J. Bounsall (Windsor West): Right on.

Mr. Young: He expects to get advantages which outweigh entirely what he has been giving to the other person.

Two hands came together—the one who gave and the one who received—and the one who gave expected value far in excess of what he was giving in value. Yet the person who receives is castigated and charged, but the one who gave and expected to get far more advantage is left alone at this point.

Mr. Sargent: Right.

Mr. Young: It seems to me there is a fundamental injustice here, an injustice which this minister, if he's running a clean department, cannot ignore, unless at his own peril.

I would hope before too long he will be urging upon the Attorney General, if he's laying the charges, that matching charges be laid so that these people who are on the receiving end and perhaps were victimized to some degree by the people who gave—and this is very often the case—are charged along with those who received. I think if this minister is serious about this clean department, he'd better get action in this field to see if those other charges are laid, so that they can be heard along with the first lot when it comes to court action.

Hon. Mr. Irvine: Mr. Chairman, I want to say to the hon. member for Yorkview and the rest of the hon. members there has been action taken in the past, before my appointment as Minister of Housing. I have in front of me at this time a couple of memoranda sent out by the acting managing director in 1972 and in 1973. I'll read only the one in 1973, but both are in the same vein. It is dated Dec. 5, 1973 and is entitled, "Conflict of Interest Guidelines; Employees, Ontario Housing Corp."

In view of the activities carried on by Ontario Housing Corp., Ontario Student Housing Corp., Housing Corp. Ltd. and the housing authorities, the board of directors has approved guidelines for certain standards of conduct, with respect to potential conflict of interest. The proposed guidelines for employees are intended to assist staff and to prevent the development of any undesirable situation. These proposals are designed to supplement the Public Service Act and its regulations, as well as section 110 of the Criminal Code of Canada which makes it a criminal offence, in certain circumstances, for a public servant to demand, accept or offer, or agree to accept directly or indirectly a reward, advantage or benefit of any kind in connection with government business or from a person having dealings with the government. I would draw these guidelines to each member of our staff.

Mr. Sargent: Did you send a copy of that to the Tely?

Hon. Mr. Irvine: It is signed by Mr. Riggs, acting managing director. All I'm pointing out to the hon. members is this, action has been taken in the past to ensure the Ontario Housing Corp. operated in a proper manner.

Mr. Sargent: How do you know?

Mr. Stokes: That says nothing about the donor, though.

Hon. Mr. Irvine: I am saying that as far as I'm concerned we will ensure, to the best of our abilities, the Ontario Housing Corp. in the future is just as perfect as it can be. That's all the assurance I can give.

Mr. Young: Mr. Chairman, just along that line, we appreciate what the minister has said. We appreciate it's the instruction that has gone out, and that's good. I don't think any of us on this side hold any brief for those who broke that code and accepted gifts, donations, or whatever it may have been. But why should we take for granted there are people out there in the business world who are doing business with Ontario Housing who have their hands out ready to give these gifts? Why should not part of our blame and opprobrium be there?

Mr. Sargent: They are donors to the Tory party.

Mr. Young: In other words, if we're going to do the thing to our own employees, let's see to it that the people with whom we are doing business also have integrity, integrity of the kind that will not allow them to try to

corrupt your own officials. That's all we're asking.

Hon. Mr. Irvine: Mr. Chairman, I've already said that the Attorney General is investigating this matter. I agree that those we deal with should have integrity.

Mr. Young: Right.

Mr. Chairman: Shall vote 801 carry?

Mrs. Campbell: No.

Hon. Mr. Winkler moves the committee rise and report.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report certain resolutions and asks for leave to sit again.

Report agreed to.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Mr. Speaker, before I move the adjournment of the House, I will say that the business tomorrow will be as is called. The Ministry of Housing's estimates will be considered again on Thursday, and hopefully the balance of estimates during whatever time is left on Thursday evening.

Hon. Mr. Winkler moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10:30 o'clock, p.m.

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Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Ninth Legislature

Wednesday, November 13, 1974

Afternoon Session

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

THE QUEEN'S PRINTER
PARLIAMENT BUILDINGS, TORONTO
1974

10

Price per session, $10.00. Address, Clerk of the House, Parliament Bldgs., Toronto

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LEGISLATIVE ASSEMBLY OF ONTARIO

WEDNESDAY, NOVEMBER 13, 1974

The House met at 2 o'clock, p.m.

Prayers.

Mr. Speaker: Statements by the ministry.

GO-URBAN SYSTEM

Hon. J. R. Rhodes (Minister of Transportation and Communications): Mr. Speaker, I should like to inform the House of changes to the Krauss-Maffei GO-Urban demonstration programme at the CNE.

In part, Krauss-Maffei has been funded for this project by the West German government. Because of a recent decision by that government to move away from certain long-range technological programmes, Krauss-Maffei's financing prospects have been affected to the extent that four weeks ago I was approached to see if arrangements could be made to modify the contract. As a result, I have negotiated the following:

First, the Ontario Transportation Development Corp. will now develop and will own the GO-Urban intermediate-capacity technology, using existing Krauss-Maffei research and development data for which the West German government and Krauss-Maffei have invested approximately $30 million. This valuable asset is available to Ontario without cost. We have also negotiated the right to an exclusive, royalty-free licence in Canada and a royalty-free, non-exclusive licence in most of the rest of the world.

Mr. A. J. Roy (Ottawa East): Going into the junk business?

Mr. Speaker: Order.

Hon. Mr. Rhodes: Second, our contract with Krauss-Maffei has been terminated and Ontario will be refunded all of the money it has spent so far on the demonstration project at the CNE. An interim payment of $8.5 million was made yesterday to cover most of these costs. The final settlement will be made on the submission of an audited statement.

Mr. E. W. Martel (Sudbury East): Remember the statement by the Premier (Mr. Davis)?

Mr. P. D. Lawlor (Lakeshore): So we get the hardware. Put out an inventory—

Mr. R. G. Eaton (Middlesex South): Shut up and listen!

Hon. Mr. Rhodes: Third, Ontario will have the use of the Krauss-Maffei test track and test equipment in Munich free of charge. Since Krauss-Maffei will no longer be constructing the CNE test track, and since we negotiated access to the Krauss-Maffei facilities in Munich, we can postpone our investment in a demonstration track at this time.

Mr. M. Shulman (High Park): Until another election.

Hon. Mr. Rhodes: We think it makes sense to delay that expenditure now and fully utilize the Munich facility.

Mr. Shulman: Very wise!

Hon. Mr. Rhodes: Depending on our experience there, we could integrate a future demonstration track in Ontario as part of a future revenue system. This represents a saving of $7.7 million for the guideway and stations alone.

Some hon. members: Oh, oh.

Mr. V. M. Singer (Downsview): The Treasurer (Mr. White) wrote that before he went away.

Hon. Mr. Rhodes: I am tabling a copy of the complete agreement. Our ability to conclude this agreement represents much forethought by my predecessor, who negotiated guarantees for the Ontario taxpayer in the original agreement.

The new agreement continues the development programme and it allows Ontario to use over $30 million of research and development already invested by the West German government and Krauss-Maffei at no cost to Ontario. It also allows us to continue our programme to develop an intermediate-capacity transit system.

Mr. Lawlor: They have the technology, the staff and the brains. We are going to have to bring half the German population over—

Hon. Mr. Rhodes: Now, Mr. Speaker, I would like to set out briefly how the government proposes to proceed from here. First, OTDC will manage the development programme and will continue to provide me with regular reports.

Mr. R. F. Nixon (Leader of the Opposition): That's good.

Hon. Mr. Rhodes: Second, OTDC will receive and assimilate the data to be provided by Krauss-Maffei as quickly as possible and begin utilizing the Munich test track and test vehicles. I envisage that a short time will be necessary for our management team and technicians to complete the takeover of the system. Once this is done, this is going to be a Canadian-directed programme.

Third, McDonnell-Douglas has already agreed to cost-share and to collaborate with OTDC during the takeover phase. Preliminary discussions have already been initiated for their involvement in subsequent phases—the prototype development, pilot production and revenue production phases.

So Mr. Speaker, as a result of a series of recent developments. Ontario has gained control of this technology at no cost to the taxpayer.

Mr. R. F. Nixon: I like that.

Mr. Lawlor: He said that with a straight face. Very good.

Mr. Martel: That's why they made him minister.

Mr. Speaker: Order, please.

Oral questions.

Interjections by hon. members.

Mr. Speaker: Order, please. Will the members please refrain from interjections?

The hon. Leader of the Opposition.

GO-URBAN SYSTEM

Mr. R. F. Nixon: I would like to ask the minister who just made the statement if the West German government decided to get out of funding this research in part because the research itself was having some difficulty in getting off the ground, so to speak, in that the car will not go around curves. Has it got anything to do with the fact that the West German government does not think this programme is economically feasible and therefore Ontario is left holding the bag?

Hon. Mr. Rhodes: First of all, Mr. Speaker, Ontario is not left holding the bag. The question of whether we continue or not is entirely in the hands of this government as far as development of the technology is concerned. I would point out there is no bag to hold because the money we have spent has all been returned. We have not lost one nickel; it is all back

Mr. F. Laughren (Nickel Belt): Just a couple of years.

Hon. Mr. Rhodes: Now as far as the technology is concerned, we have a report that was produced by qualified engineers from the Krauss-Maffei company, from McDonnell-Douglas, from OTDC and from the ministry. For six weeks we have intensively studied the total technology. In that report they indicate there are risk areas, as in any technological development programme, but that they are technically soluble.

Mr. Lawlor: The minister may wish he had never got involved.

Hon. Mr. Rhodes: We would like to continue along to determine the viability of the system itself to be used for an urban transit programme.

Mr. R. F. Nixon: A supplementary, if you will permit, Mr. Speaker. Would the minister not think that after all of the ballyhoo and palaver that has gone on with this thing, there is a substantial risk for the taxpayers of this province to see us thoroughly involved —even with the partners we have, including the government of Canada in part—in a research procedure in a foreign country many thousands of miles away, and abandoning the research project that has been built for a considerable amount of money at the CNE grounds? Surely the justification for that is extremely thin.

Hon. Mr. Rhodes: First of all, Mr. Speaker, the construction at the CNE, as I think the hon. Leader of the Opposition is fully aware, has not commenced. The contracts for the guideways and the stations had been recalled.

Mr. R. F. Nixon: After all the gas mains have been removed?

Hon. Mr. Rhodes: Yes.

Mr. Singer: And the parking lots are cleared?

Hon. Mr. Rhodes: Yes.

Mr. Speaker: Order, please.

Hon. Mr. Rhodes: Mr. Speaker, I recognize that is a fact and it is these costs which we have recovered. All of these costs have been recovered in our final agreement and arrangement made in discussions with Krauss-Maffei.

Mr. R. F. Nixon: They were anxious to buy their way out.

Hon. Mr. Rhodes: I think, Mr. Speaker, that the reason for the Krauss-Maffei Co. wishing to be relieved of that contractual obligation they had with the province is very simply that they were no longer receiving the 80 per cent funding they were getting from the West German government, and they really couldn't, financially, continue with the programme.

Mr. Speaker: Does the member for High Park have a supplementary?

Mr. Shulman: Inasmuch as the government was counting on Krauss-Maffei for the last two years to solve its transportation problems, what is it going to do now? Is it going to start all over again?

Hon. Mr. Rhodes: Mr. Speaker, we have not been counting on Krauss-Maffei to solve all of the problems. The Ontario Transit Development Corp. has been working on all the various modes. I have said here on many occasions that despite what the opposition has tried to make the people believe, we have not dealt with only one mode. We have been dealing with light rail transit; we have been dealing with streetcars; we have been working on the development of new systems that use conventional transit. That's been going on continually, despite what the opposition have tried to make the people of this province believe.

Mr. Martel: What would the government do with the grand canal—the Spadina trench?

Mr. R. F. Nixon: That didn't have the lustre and pizzazz of the Premier.

Mr. Martel: Gordy isn't here today to enjoy this.

Mr. Speaker: The member for Ottawa East.

Mr. Roy: A supplementary of the minister: Could he advise the House how much money we're going to receive in the way of a refund, and are we going to be refunded for—?

Mr. Speaker: The minister answered that question. Does the member for Sudbury have a question?

Hon. S. B. Handleman (Minister without Portfolio): Listen once in a while.

Mr. Roy: The minister didn't say how much, Mr. Speaker. Can he tell us how much money is involved in the refunds from Krauss-Maffei?

Mr. Speaker: Do you wish to give the information again, Mr. Minister?

Mr. Roy: Are we going to be refunded for the big extravaganza?

Mr. Speaker: Order, please. That was not the member's original supplementary. The member for Sudbury.

Mr. M. C. Germa (Sudbury): Mr Speaker, could I ask the minister: Under the new arrangement do McDonnell-Douglas aircraft still have exclusive licence in the United States?

Hon. Mr. Rhodes: No. Mr. Speaker. Those licence rights now rest in the hands of Ontario as a result of the agreement, and we will negotiate with McDonnell-Douglas.

Mr. I. Deans (Wentworth): It's really valuable, too. I wouldn't want to try and raise much money on the licensing rights at this point.

An hon. member: The opposition will never have the chance.

Mr. Deans: I wouldn't want the chance to raise money on the basis of those licences.

Mr. Speaker: The member for Downsview wishes to ask a supplementary.

Mr. Singer: Could the minister advise what recovery, if any. the federal government is going to get for its investment in the Krauss-Maffei project?

Hon. Mr. Rhodes: Mr. Speaker, I certainly would not attempt to answer for any of the actions that have been taken by Mr. Gillespie, but I would simply draw to the hon. member's attention that the federal government participation has been with the Spar Aerospace Co. in the development of the linear induction motor, and there's no reason to believe that motor cannot be continued to be used.

Mr. Singer: For what?

Hon. Mr. Rhodes: It is the best linear induction motor that's been developed by any company—

Mr. Singer: If we could only find a use for it.

Hon. Mr. Rhodes: —and it can be used, Mr. Speaker. Obviously, again the hon. member is not aware of the possible uses of this motor.

Mr. Deans: Is the Premier going to succeed at anything?

Mr. J. E. Bullbrook (Sarnia): Could it run the "big blue machine"?

Hon. Mr. Rhodes: It does not have to be used only with magnetic levitation systems; it can be used with wheel systems as well. Mr. Speaker, it can run the "big red machine," too.

Mr. Shulman: It is so embarrassing. Are they going to make the minister the goat for all this?

Mr. Speaker: The member for Sandwich-Riverside has the last supplementary on this question.

Mr. F. A. Burr (Sandwich-Riverside): Would the minister now reconsider the offer, if it is still available. of the Instaglide system to build a demonstration track at the CNE at its own expense in time for the CNE next fall?

Hon. Mr. Rhodes: Mr. Speaker, I don't really think that company would need my permission. I don't own the CNE. They could make arrangements with the Canadian National Exhibition board. If they want to put it up free of charge, I'm sure they'd be glad to have it.

Mr. Martel: They'd be getting stung again.

Mr. Speaker: Does the hon. Leader of the Opposition have further questions?

FUTURE OF METRO CENTRE

Mr. R. F. Nixon: I would like to ask the Premier, further to his statement on Metro Centre, and also the invitation from Metro Chairman Godfrey that the Premier use his good offices to get that programme on the road again—I almost said on the rails—is he concerned, for example, that even the transportation terminal will be held up unless some initiative is taken with regard to Metro Centre, which is apparently, according to one news report, back to square one?

Hon. W. G. Davis (Premier): Mr. Speaker, I can't comment on whether the proposed development called Metro Centre is back to square one. I'm not in a position to comment on that.

I think it is fair to state that in some personal observations Sunday evening—actually it was a day or so before that—where I personally observed—and I hope I was very careful that I did not indicate just what form Metro Centre should take as to the relationship of the amount of commercial accommodation vis-à-vis housing, or the densities—that in my view, and I was speaking very personally, some form of development should proceed.

I related it very directly to the province's interest in the transportation part of Metro Centre, because some reconciliation has to be made fairly soon as it relates to the GO service, as it relates to bus service, as it relates to possible developments to, say, Malton International Airport. From our standpoint, the transportation part of the Metro Centre is of great interest to the government.

I had a very informal discussion with the mayor of Toronto some two or three weeks ago and made it quite clear to him that from the province's standpoint we were prepared to assist, quite obviously, in terms of financial support for the transportation part, but this would, of course, have to be related to the design developments, and of course the position of the federal government or/and the two railways. But from our standpoint, Mr. Speaker, and this has been the position for I guess the last two or three years, the transportation part of Metro Centre was very important to us.

In case there is any confusion, I also indicated to the mayor that in my view the question, and I think a very valid question, as to the continuing position, architecturally or aesthetically, of Union Station was something that had to be resolved by the city of Toronto and by Metro.

As far as getting it back on the road, or on the rails—and part of it is on the rails I guess, technically speaking—I think perhaps we should await the next couple of weeks and the municipal elections. I question, very frankly, whether much can be initiated until those determinations are settled by—

Mr. R. F. Nixon: The Premier may have a new mayor to deal with.

Hon. Mr. Davis: —the people of Toronto and Metro.

But certainly there is no question, from my standpoint personally Mr. Speaker, that Metro Centre should go ahead in some form or other, and I've been very careful not to

say exactly what form, and from our standpoint the transportation centre is important and we are prepared to be involved in it.

Mr. R. F. Nixon: Supplementary: Once the municipal elections are settled, is the Premier prepared to take specific initiative rather than just to express his views that it should go ahead?

Hon. Mr. Davis: Mr. Speaker, I hope there won't be any need to take any specific initiative in the sense of the government interfering with the autonomy of the municipalities, which the Leader of the Opposition always guards so jealously when it suits him to do so.

Mr. Bullbrook: More and more every day.

Mr. R. F. Nixon: Most of the people of the province agree with my position.

Hon. Mr. Davis: It is quite obvious that the public of the province doesn't totally understand his position on these matters, because it happens to vary from incident to incident.

Mr. R. F. Nixon: They don't understand the Premier's. He has to do something about that.

Interjections by hon. members.

Mr. Speaker: Order please.

Hon. Mr. Davis: Yes, there is no question that we will have to do something to make it very clear that the Liberal Party's position on local autonomy depends on the particular issue and the particular geographic area of the province.

Mr. R. S. Smith (Nipissing): They understand the Premier and that's enough.

Mr. R. F. Nixon: Get out in the province and sell that.

Hon. Mr. Davis: I would hope, Mr. Speaker, it will not be necessary for us to become involved in a way that would infringe on the autonomy of Metro and of the city of Toronto.

Mr. Roy: Where is the next by-election?

Mr. Speaker: Any further questions from the Leader of the Opposition?

LAND BANKING

Mr. R. F. Nixon: Yes, Mr. Speaker, I have a question of the Minister of Housing. Can he explain to the House the purpose of the 2,300 acres assembled for OHC and under the direction of his ministry in the south Milton area?

Hon. D. R. Irvine (Minister of Housing): Yes, Mr. Speaker, the purpose of the land banking was explained in my press release at that time. We are endeavouring to obtain control of sufficient lands throughout Ontario, to make sure that the lands are used in the meantime in regard to agriculture purposes if necessary, but ensuring in the long run that we do have lands available for housing development, if this is the area which is applicable at that time for development. The same applies to other lands we have acquired throughout Ontario. These lands will not be developed immediately but they will be in the long run.

Mr. R. F. Nixon: Supplementary: I would like to ask the minister, since this is a long range plan, how can he explain the policy of Ontario Housing which resulted in the payment of $1 million in speculative profits —based on the sale of less than 600 acres in this 2,300-acre assembly—$1 million in speculative profits to owners who had title to the property for less than six months, and in one case only 32 days?

Mr. Bullbrook: The same old game. It's who you know.

Hon. Mr. Irvine: Mr. Speaker, I think the Leader of the Opposition is using the term "speculative profits" very loosely.

Mr. Bullbrook: Oh no, he knows exactly what it is.

Hon. Mr. Irvine: Very loosely.

Mr. Speaker: Order, please.

Mr. Roy: Does the minister want the figures?

Mr. Singer: Does he want the figures? Give him the figures.

Hon. Mr. Irvine: The value of the land, no doubt, will be worth every dollar that was spent on the land. I am not going to get into an argument as to whether or not we should have paid less or more. It could be that in future months we would have had to pay more. We probably would have had to pay more, so I think the Leader of the Opposition better be very careful in rephrasing the term.

Mr. R. F. Nixon: Supplementary: Since the minister does not want to get into an argument about it, would he be prepared to table the evaluation documents and the

minutes of the OHC meeting that resulted in the decision to go forward with this purchase, which certainly resulted in a speculative profit? I would be prepared to argue with the minister on the use of that adjective, when the facts are known as we have examined them.

Hon. Mr. Irvine: Mr. Speaker, I will look into the matter and report to the House as to how the purchase was justified by OHC.

Mr. Singer: Mr. Speaker, supplementary question.

Mr. Speaker: Supplementary?

Mr. Singer: Could the minister explain how a company like New Star Investments would have sold a parcel of land to Cedar Heights Construction Ltd. in February, 1974, for $379,000, and how the minister's nominees would have bought the same parcel of land on March 12 for $579,000?

Mr. R. F. Nixon: Two hundred thousand dollars profit in a month.

Mr. Singer: Two hundred thousand dollars profit in a month.

Mr. Roy: Is that speculation?

Mr. Singer: Could the minister explain that?

Hon. Mr. Irvine: Mr. Speaker, I will explain in due course. I will look into the actual acquisition of the lands to determine what did happen.

Mr. Singer: Yes.

Mrs. M. Campbell (St. George): Yes, do.

Hon. Mr. Irvine: I am not in any way today prepared to comment on this particular acquisition or any other until I have all the facts. It's very easy, as I found last night, for certain members of the opposition to loosely quote what happened seven or eight years ago.

Mr. Roy: Officially nothing.

Mr. R. F. Ruston (Essex-Kent): This is 1974. It's very easy for the minister, too.

Mr. Lawlor: Supplementary, Mr. Speaker.

Mr. Speaker: This will be the last supplementary.

Mr. Lawlor: Was there any land speculation tax paid in the course of that transaction?

Hon. Mr. Irvine: Mr. Speaker, I will look into it and find out.

Mr. Singer: It was done before April 9.

Mr. Speaker: Does the hon. Leader of the Opposition have further questions? All right. The hon. member for Wentworth.

WARRANTY ON NEW HOMES

Mr. Deans: Mr. Speaker, I have a question of the Minister of Consumer and Commercial Relations. Given the wide-ranging problems which are reported to many members of the Legislature from home purchasers, can we reasonably expect the home warranty programme which was promised in April for the fall of this year somehow or other to come to the floor of the Legislature in the next month?

Hon. J. T. Clement (Minister of Consumer and Commercial Relations): Mr. Speaker, I don't think that it could come to the floor of this Legislature within the next month. As the hon. member perhaps knows, or doesn't know, the federal government met with the construction industry and various representatives of consumer groups in the spring and came up with certain alternatives which were not acceptable to the public at large. As a result of that, we have met constantly over the past several months, not only with members of the construction industry but with each provincial government.

The last meeting was some two weeks ago Monday of this week. CMHC and other federal lending institutions were present at this meeting for their very apparent interest. The result is that a proposal is being put forward —it is now being drafted.

I understand the federal government is extremely interested in it, and rightly so, because of the federal implications. I anticipate that if federal legislation is not introduced very shortly, we will move in this direction in Ontario.

I may point out that the Speech from the Throne some few weeks ago did indicate the federal government was moving into this area.

Mr. Deans: Supplementary question: Does the minister commit his answers to memory? Because that is exactly the same answer he gave to the same question when it was asked in the month of April.

Hon. Mr. Clement: That's pretty good. I'd hate to give a different one, Mr. Speaker.

Mr. Deans: Then by way of supplementary question, might the minister care to explain the remainder of the answer in which he said if the federal government wasn't prepared to go ahead quickly, Ontario was prepared to go it alone? Surely he doesn't consider some time next year to be quickly when he is talking in April, 1974?

Hon. Mr. Clement: Ontario is prepared to go it alone, Mr. Speaker, but you must realize there are certain implications insofar as financing is concerned. We must, through necessity, work closely with lending institutions, particularly Central Mortgage and Housing Corp., because we cannot develop a programme that would be simply acceptable to the people of this province in terms of warranty protection without the involvement of lending institutions which have a very definite interest in this type of programme.

Mr. J. A. Renwick (Riverdale): But the government can take the initiative and the minister knows it.

Mr. Speaker: Any further questions?

USE OF AMPHETAMINES BY ATHLETES

Mr. Deans: I would like to ask a question of the Provincial Secretary for Social Development. Will the provincial secretary require the Ministry of Health to conduct an investigation into the allegations of one Dr. Thomas Fried, in which he claims that there is a prominent team physician in Ontario, in football, who is administering amphetamines to players in large doses before the games?

Hon. M. Birch (Provincial Secretary for Social Development): Mr. Speaker, I will take that under advisement.

PROVINCIAL ELECTION

Mr. Deans: I have a question of the Premier. Given the major blunders that have occurred over the last few years, ranging all the way from the energy tax to the cancellation of Krauss-Maffei, doesn't the Premier feel that it is time the people of the province were given a chance to express their opinion of the government?

Hon. Mr. Davis: Mr. Speaker, I certainly think there will be an opportunity for the people of this province to express their point of view, and while I recognize that the member who asked the question is one of those who takes some pleasure out of difficulties that the government from time to time experiences—

Mr. Deans: I don't like the difficulties the Premier inflicts on the people.

Hon. Mr. Davis: —and while I recognize that contrary to the philosophy his party supposedly represents—and once again being somewhat contradictory—this government is not apologizing for proceeding with research and development in the field of intermediate capacity transportation. It may be that there aren't many other jurisdictions that are doing it, but the Province of Ontario initiated it to a great extent and will continue.

I would only make this observation, that I realize some of the members opposite, Mr. Speaker, would like nothing better than to see this particular research programme, or one akin to it, or this sort of development, fail purely for partisan political reasons.

I can say only this to the hon. member—

Interjections by hon. members.

Mr. Speaker: Order, please.

Hon. Mr. Davis: —the government is very anxious to resolve, on the long-term basis, the urban transportation problems that our society faces. I think it is fair to state that they will not be solved by subways, they will not be solved just by bus transportation, they will not be solved totally by streetcar or rail transportation; it will take a combination of many things.

I am not surprised, Mr. Speaker, because I recognize we are in politics and these members take a very partisan point of view, but I think it is regrettable that the members opposite do not support the government in an attempt, in a very genuine attempt, to solve one of the major problems facing most urban societies in North America and Europe today, and that is in the field of transportation.

Mr. Speaker, I have said from the outset that this is experimental—I have never said anything else—that we know we are pioneering, we are not buying it off the shelf, and there are a lot of experts who have contrary points of view. I can always say, Mr. Speaker, I think the history of this society, both here and elsewhere, suggests with some degree of accuracy that those people, whether they be government, the private sector or individuals, who are prepared to demonstrate a little bit of intestinal fortitude,

a little bit of courage, a little bit of foresightedness on occasion, these are the ones who ultimately achieve something of significance for society.

I would say to the member for Wentworth that while I know he is delighted, as are some members opposite, that we are having some difficulties, I can only say—and I say this completely objectively—their delight in this difficulty is purely partisan and political in nature.

Interjections by hon. members.

Mr. Deans: The Premier surely doesn't feel that he has carte blanche to waste the money and the time of the people of Ontario and raise the expectations on worthless projects.

Mr. Speaker: Your question?

Mr. Deans: May I ask the Premier whether he is prepared to put forward any one project that might be worthy of the support of the opposition?

Hon. Mr. Davis: Mr. Speaker, recognizing that the opposition member, particularly the hon. member who asked the question, is not always totally objective in his analysis of government programmes, I can't really speak for him, nor would I presume to do so. I can only say this, I have listened here for several years, including the last two or three, and when it comes to transportation I haven't heard any viable suggestion emanating from the hon. member at all; not one.

Mr. Martel: When has the Premier been around?

Mr. Shulman: Supplementary?

Mr. Speaker: The member for High Park with a supplementary.

Mr. Shulman: In view of the collapse of Krauss-Maffei, has the Premier considered approaching Wells Fargo?

Interjections by hon. members.

Mr. Martel: The Premier is on the road too much.

Hon. Mr. Davis: Mr. Speaker, I take that question from the right wing reactionary of the socialist party of this province, really, in the spirit in which it was suggested.

Mr. Martel: Here comes another lecture.

Hon. Mr. Davis: I think with the very excellent agreement—

Mr. Martel: The Premier should go back to teaching Sunday school.

Hon. Mr. Davis: —and I wish, right in this House, to congratulate the minister on the way he concluded this agreement, that there will be no necessity to approach Wells Fargo, one of the larger banking institutions in the United States, for any assistance whatsoever. I assume that was the Wells Fargo to which the member was referring, knowing his many connections with these banking institutions.

Mr. Germa: Put the wagons in a circle.

Mr. Lawlor: Back to the stage-coach.

Mr. Speaker: The member for Wentworth.

Mr. Deans: Mr. Speaker, I assume that the demise of Krauss-Maffei was to save the Provincial Secretary for Resources Development from having to pull it around the track?

Hon. A. Grossman (Provincial Secretary for Resources Development): If I did that, it would be a more useful thing than the member has done in his whole political career.

LOTTERY FOR HAMILTON HOME LOTS

Mr. Deans: Can I ask the Minister of Housing whether he might find some—

Interjections by hon. members.

Mr. Speaker: Order, please, we can't hear the question.

Mr. Deans: —whether he might find some way to ensure that the next time he runs a lottery the closing date isn't on a statutory holiday?

Hon. Mr. Irvine: Yes, I will ensure that.

Mr. Speaker: The member for Waterloo North.

STUDY OF VINYL CHLORIDE

Mr. E. R. Good (Waterloo North): A question of the Minister of Labour: Now that the minister has seen the data sheet of the occupational health protection branch dealing with vinyl chloride, is he prepared to answer the question of whether or not his ministry is enforcing the provisions of this data sheet from the occupational health branch in the lower limits which they now require for those people working in the vinyl chloride industry?

Hon. J. P. MacBeth (Minister of Labour): Mr. Speaker, I hope and understand that we are, but if the hon. member has any question with regard to any specific incident or location, I will certainly be glad to follow it up.

Mr. Good: Supplementary: Can the minister inform the House how long a period it will take to programme these industries down, from 200 parts per million of vinyl chloride allowable in the air, down to the 25 parts and 10 parts that is the recommendation of the occupational health branch? Is this an immediate achievement or has this ministry already enforced these rules? This is what I would hope very much.

Hon. Mr. MacBeth: Mr. Speaker, I understood that we were enforcing those standards now. Now if there are some cases where it may take them a little while to conform, I hope that we would be reasonable with them, but not reasonable to the point of delay to endanger the health of the workers involved. Again I say if the member has any specific location where it is not being enforced and wants to draw it to my attention I will follow it up.

Mr. Speaker: A question from the New Democratic Party? The member for Stormont.

LAND ASSEMBLY IN EDWARDSBURG TOWNSHIP

Mr. G. Samis (Stormont): Mr. Speaker, I would like to address a question to the Minister of Housing: I would like to know how the hon. minister defends his passive support of the proposed Spencerville industrial park in view of the following statements made in the Aug. 27 edition of the Cornwall Standard Freeholder by his confrère, the Minister of Industry and Tourism (Mr. Bennett).

Mr. J. H. Jessiman (Fort William): Question!

Mr. Samis: I have already asked the question.

The statements were: "I personally find it extremely difficult to believe that the government can justify such a large purchase." And further on in the article: "The minister said the creation of any such park would be centralization—

An hon. member: Question!

Mr. Samis: "—and destroying a certain way of life. Our plans have always been to help create small industrial parks to upgrade the quality of our life."

Mr. Speaker: Order, please.

Mr. Samis: In view of that, how does the minister defend his passive approval of such a park?

Hon. Mr. Irvine: Mr. Speaker, could I ask the hon. member to repeat the question.

Hon. Mr. Handleman: Read it again.

Hon. Mr. Irvine: Would the member read it again in the form of a question.

Mr. Speaker: Order, please.

Mr. Martel: Some of those neanderthals are still reading speeches; after 20 years here they still read. Ask the member for St. David (Mrs. Scrivener) how often she reads her questions.

Mr. Speaker: Order please. The hon. member for Stormont wishes to place his question.

Mr. Samis: Mr. Speaker, I would be glad to repeat the quotation if the hon. backbenchers will give me the opportunity to read it.

Quote, by the minister: "I find it extremely difficult to believe that the government can justify such a large purchase."

The Minister of Industry and Tourism said: "Our plans have always been to help create small industrial parks to upgrade the quality of our life. This is our objective." Furthermore, the minister said: "The creation of any such park would be centralization and destroying a certain way of life."

In view of the fact that the city council of Cornwall and the mayor have officially come out against this project, the Minister of Industry and Tourism said this in the Cornwall Standard-Freeholder—

Mr. Speaker: Will you place your question, please?

Mr. Jessiman: Question!

Mr. Samis: I've just asked it, Mr. Speaker.

Hon. Mr. Irvine: I won't ask the hon. member to repeat it, even though I still haven't heard it. But let's go back to what I've said before in the House. I think he's referring, if I understand the question—or was it a question? I think it was a statement.

Mr. Samis: It was a question.

Hon. Mr. Irvine: If there was a question there I failed to hear it—

Mr. W. Ferrier (Cochrane South): How does the minister justify it?

Mr. Samis: How does he justify what his colleague said in Cornwall?

Hon. Mr. Irvine: In any event, Mr. Speaker, the hon. member hasn't had a chance to acquaint himself with all the facts as to what has happened in the House in the last few days. I think if he were to check Hansard he would find that the Minister of Housing said that the Ministry of Housing had absolutely no plans for development of a satellite city in the area referred to by his colleague from Ottawa or whatever other part he comes from.

I would like to say to the hon. member that if the government should decide that there is some use for the lands involved, I would be very pleased to see some action taken in my riding to improve the economy of the county of Grenville and, in particular, the township of Edwardsburgh. In no way do I know at this time as to what use will be made of the lands. No decision has been reached by the government.

I didn't get all of the hon member's question, and that's why I wished him to rephrase it again. Maybe if he passed it over to me I could answer it a bit better.

Mr. Samis: A supplementary, Mr. Speaker: Could I ask if the minister will adhere to the policy of the Minister of Industry and Tourism in this regard? Is he the spokesman on this matter?

Mr. R. D. Kennedy (Peel South): What is the question?

Hon. Mr. Irvine: Mr. Speaker, I think the hon. member will be aware as time goes on that the government as a whole decides what the government's actions will be. It is not decided by any individual minister.

Mr. Martel: Even on Krauss-Maffei?

Hon. Mr. Irvine: We have in the past had the confidence of the people of Ontario, and we intend to make sure that we act on behalf of all of the people of Ontario. I look forward to this confidence continuing in the future.

Mr. Speaker: The hon. member for Ottawa East.

GO-URBAN SYSTEM

Mr. Roy: Mr. Speaker, a question of the Minister of Transportation and Communications pertaining to his statement this afternoon; Will the money that will be reimbursed by Krauss-Maffei include reimbursements, for instance, for all the time spent by civil servants working on this project? Will we be reimbursed for the extravaganza, the film presentation—

Mr. Speaker: Would you place the question?

Mr. Roy: Pardon me?

Mr. Speaker: Place the question without editorials.

Interjections by hon. members.

Mr. Roy: Can I ask a question or not?

Interjections by hon. members.

Mr. Roy: My God, I'm going to have to start reading. Would you like me to repeat the question?

My question to the minister, Mr. Speaker, was simply this: Will we be reimbursed for all the work and the time put in by civil servants on this project? Will we be reimbursed for the extravaganza, the film presentation in Toronto and Ottawa?

Mr. R. F. Nixon: And up at the Science Centre.

Mr. Singer: With all those slides, movies.

Mr. R. F. Nixon: With caviare and booze.

Hon. Mr. Rhodes: Mr. Speaker, I think I could perhaps best answer the hon. member by reading one of the paragraphs from the agreement:

> KM shall pay the ministry an amount equal to the aggregate of all moneys received by KM from the ministry pursuant to the TDS contract plus all direct costs incurred by the ministry and/or OTDC in connection with the TDS contract—

Mr. Renwick: What about the indirect costs?

Mr. Roy: A supplementary, Mr. Speaker: Will the minister then advise the House, possibly at a subsequent date, how much money was reimbursed to the Ontario government by this company—the global amount—and how it was calculated?

Hon. Mr. Rhodes: Mr. Speaker, I have said that I have already received $8.5 million, which was paid yesterday.

Mr. Roy: Eight-point-five million dollars?

Hon. Mr. Rhodes: Yes, $8.5 million has already been received; it was received yesterday. The balance will be paid to us upon submission of an audited statement.

Mr. Singer: That's enough to pay for the Treasurer's trip!

Hon. Mr. Rhodes: When that final amount is known, I will be quite happy to make it known here in the House, yes.

Mr. Roy: Mr. Speaker, could I ask one more supplementary on that point?

Mr. Speaker: One more supplementary.

Mr. Roy: Could the minister give us a breakdown of the $8.5 million that he received? What was it for? Is he going to give us a breakdown on that?

Hon. Mr. Rhodes: Mr. Speaker, I cannot give a breakdown at this time. That amount was paid to us in a lump sum as an interim payment until such time as we are able to audit the balance of what is owed to us, and that then will be paid to us by Krauss-Maffei. That is in the agreement, which I have tabled and members will be able to read.

Mr. Speaker: The member for High Park with a final supplementary.

Mr. Shulman: Is the minister willing to table all terms of the entire agreement?

Hon. Mr. Rhodes: Mr. Speaker, I have already tabled the entire agreement that was signed by myself on behalf of the ministry, by the chairman of the board of Krauss-Maffei and by the president of OTDC.

Mr. Speaker: The member for Sudbury.

KRAZY GLUE

Mr. Germa: Mr. Speaker, I have a question of the Minister of Consumer and Commercial Relations. Could I ask the minister if he is aware that several students have been injured by the misuse of Krazy Glue, and does he contemplate legislation to control the marketing of this particular glue?

Hon. Mr. Clement: Mr. Speaker, I am not aware that anybody has been harmed by Krazy Glue. I would think that it would be solely under the federal Hazardous Products Act, dealing with noxious and hazardous products. I am not aware of the situation at all.

Hon. Mr. Grossman: That's what keeps the NDP together—Krazy Glue.

Mr. Speaker: The member for Downsview.

KRAUSS-MAFFEI SYSTEM

Mr. Singer: Mr. Speaker, I have a question of the Minister of Transportation and Communications. Could he advise us as to whether or not any calculation has been made as to the value of the obligations that Krauss-Maffei is relieved from, as a result of which we are getting back this $8.5 million, plus whatever amount comes late? How much are they being excused from doing in dollars? Has that been calculated?

Hon. Mr. Rhodes: Mr. Speaker. I haven't calculated the particular amount, if I understand the hon. member, but it seems to me that the hon. member was talking about figures on that side of the House for some months now as to what the total cost of the TDS contract was going to be. It seems to me that that figure probably is the one that we have been relieved from and that they really are not being relieved from anything. They are simply not going to carry out their contract. The amount of money they will be repaying us, plus the availability of the data that they and the West German government paid for, which is coming to us, is a direct cost to them. Any moneys that they have expended, they have expended and they have no recourse of recovery.

Mr. Singer: By way of supplementary, surely the minister doesn't expect us to believe that the money that is being paid to the government of Ontario is being paid to it out of the goodness of Krauss-Maffei's and the West German government's hearts? They are paying us to be relieved from certain contract obligations. What is the value of those contract obligations from which they are being relieved?

Mr. Speaker: Order, please.

Hon. Mr. Rhodes: Mr. Speaker, the value of the contract obligations would have been the costs that would have been incurred to build the TDS demonstration down at the CNE. That's the cost they were involved in. The hon. member has a copy, I believe—if he doesn't it's in his pocket somewhere—of the original contract, which gives all of the costs that were involved and the amount of work that was to be carried out by Krauss-Maffei on this particular project. That con-

tract has been terminated as a result of the agreement that was concluded yesterday.

Mr. Speaker: The member for Yorkview.

Mr. Lawlor: Let us see the new agreement.

QUALIFICATIONS FOR MUNICIPAL OFFICE

Mr. F. Young (Yorkview): Mr. Speaker, I have a question of the Premier. Because of the ambiguity in the municipal legislation, the Minister of Education (Mr. Wells) made a statement last week that teachers who run for public office will not be jeopardized jobwise. Can the Premier give the same assurance for other municipal employees who may wish to run for public office?

Hon. Mr. Davis: Mr. Speaker, this is being considered by the government, and there will be a statement, probably by the House leader, tomorrow or Friday.

Mr. Speaker: The member for Kent.

Mr. Roy: The Premier shouldn't despair. He has a great future in the junk business—blue machine, Krauss-Maffei.

Mr. Speaker: Order, please. The member for Kent.

SHORTAGE OF HOPPER CARS

Mr. J. P. Spence (Kent): Mr. Speaker, I have a question of the Minister of Agriculture and Food: Is the minister aware of the severe shortage of hopper cars in southwestern Ontario to market or to ship out corn that is being rushed to the elevators? I am informed the elevators will soon be full and I would ask the minister if he would make an effort to convince these railways to make more hopper cars available to take care of this rush of corn in southern Ontario.

Hon. W. A. Stewart (Minister of Agriculture and Food): No, Mr. Speaker, I haven't heard anything of it. I will check into the matter.

Mr. Speaker: Further questions? The member for Essex-Kent.

DIESEL FUEL TAX

Mr. Ruston: Mr. Speaker, a question of the Minister of Revenue: What steps is the minister taking to collect large outstanding accounts, that he may recall yesterday from my question, with regard to diesel fuel tax? If these accounts are outstanding, does he advise the transport board of any of these large outstanding accounts?

Hon. A. K. Meen (Minister of Revenue): The last question first, Mr. Speaker: I have not been in touch with the Board of Transport Commissioners—which I presume he is referring to—but as to the outstanding indebtedness owing by some of these companies who made purchases out of the province, and then drove into the province, certainly we have the matters under active pursuit; and in many cases these accounts are paid. There are a few that are outstanding, as I indicated yesterday, and they are also being actively pursued.

Mr. Speaker: The hon. member for High Park.

FREE PRESCRIPTION DRUG PROGRAMME

Mr. Shulman: A question of the Provincial Secretary for Social Development, Mr. Speaker: In view of the just-announced decision by Parke, Davis & Co., Cooper Laboratories Ltd., and Burroughs Wellcome & Co., that they are no longer willing to comply with the pricing policy for listing drugs in the drug benefit formulary, does the minister intend to abandon this particular misguided project also?

Hon. Mrs. Birch: Mr. Speaker, through you to the member for High Park, we think it is a very worthwhile programme and there is no intent to abandon it.

Mr. Shulman: What is the minister going to do with the drugs not being available?

An hon. member: Wait and see.

Mr. Speaker: The Solicitor General has the answer to a question.

Mr. Shulman: No answer?

Mr. Ferrier: She hasn't got any answer.

Mr. Martel: She is still thinking about it.

Mr. Speaker: The Solicitor General has the answer to a question.

HAZARDS OF ALUMINUM ELECTRICAL WIRING

Hon. G. A. Kerr (Solicitor General): Mr. Speaker, the hon. member for Welland South (Mr. Haggerty) raised with me the question of possible fire hazards relating to the use of aluminum electrical wiring.

The United States consumer products safety commission has taken this matter up as it relates to the use of aluminum wiring and press reports of its interest have been published in Canada. We are informed that the American government authorities have not come to any final conclusion as a result of their studies.

It is important to remember that the aluminum wiring used in Ontario is of a different alloy than that used in the US. The safety regulations concerning wiring are the responsibility of Hydro and they are, of course, interested in the matter of aluminum wiring.

Ontario Hydro has issued advice concerning the danger of improper use of the material, but we are informed that the type of wiring in use in Ontario is not a hazard when properly installed. Naturally, any wiring can be hazardous if improperly used.

Both the Canadian Standards Association and Ontario Hydro continue to carry out research in the matter and they will take whatever action is appropriate should any danger become apparent from the use of the wiring in the province.

Mr. Speaker: The hon. member for Nipissing.

CROWN TIMBER TAXES

Mr. R. S. Smith: Mr. Speaker, a question of the Minister of Natural Resources: When one considers the difficulties of the logging industry and the lumbering industry in the province at the present time, could the minister explain the changes in the methods used to scale logs—which have, in fact, doubled the tax collectable—as well as the doubling of the tax that has been collectable through changes in the Crown Timber Act, and what effect this has on the laying off of hundreds of people across northern Ontario in the last few months?

Hon. L. Bernier (Minister of Natural Resources): The member is quite right in saying that we did double the Crown timber dues, and this was announced in the provincial Treasurer's budget as of last spring. As we did with the mining tax, we increased the revenues to the people of the Province of Ontario from those resources. We think it is a very fair and equitable return from the masses of resources we have in northern Ontario, and indeed across the province.

To say that this increase has been directly related to the number of those unemployed at the present time is not correct, because the problems facing the sawmill industry today are directly related to the housing starts in the United States, Japan and even in Canada. The fact is there is a decline in demand from the lumber market. Consequently they have to cut back and many of the mills are on a 50 per cent reduction basis. Therefore, there is going to be a short period of readjustment.

Mr. Speaker: The member for Nipissing—a supplementary?

Mr. R. S. Smith: Mr. Speaker, the minister has failed to answer that part of the question that had to do with scaling and changes in the method of scaling which has also doubled the tax on the same amount of logs that is being taken by the producers. Is the minister not aware that there is a change in the method of scaling that also increased the income to the province at least equal to the amount of increase that was brought about by the changes in the dues? In fact, what he did was—

Mr. Speaker: Order, please. The question has been asked, I believe.

Mr. R. S. Smith: The minister couldn't answer it before. I have to explain it to him. He doesn't know what it is all about.

Hon. Mr. Bernier: Mr. Speaker, to further inform the member, we did move to a different form of scaling—weigh scaling—as it reflects the return on softwoods. It's about double the return to the Province of Ontario. There is an increase on the hardwood return, and I agreed, after meeting with the hardwood producers, to re-examine the formula that we are using. But to say that this is directly related to the amount of unemployment caused in the wood industry is not correct.

Mr. Speaker: The member for Nickel Belt.

HEALTH OF ROSS SHOULDICE

Mr. Laughren: Mr. Speaker, I have a question ofthe Minister of Consumer and Commercial Relations. Despite the minister's

assurances that that great free enterpriser, real estate developer and Tory bagman from Sudbury, Mr. Ross Shouldice—

Mr. Speaker: The question?

Mr. Laughren: —is too sick to appear before our real estate tribunal, has the minister checked out the medical evidence to see whether or not he, indeed, is too sick, since there appears to be evidence to the contrary?

Hon. Mr. Clement: Mr. Speaker, I was asked that question, I believe, a week ago in my estimates, and the subject was discussed. As of about Oct. 18 or 24, my ministry had written again to the solicitors for Mr. Shouldice and the doctors involved—

An hon. member: This is permissible.

Hon. Mr. Clement: —asking for a new medical certificate, and stating that in the alternative they were going to proceed. I haven't got a report back from my staff as of today as to whether such a certificate has, in fact, been received by them. My staff have been directed to proceed with it as soon as possible, but if there is a medical certificate indicating the man is unable to travel to trial or stand trial, the hearing won't proceed, in any event, as the member well recognizes.

Mr. Martel: He'll never be prosecuted, that dog.

Hon. Mr. Clement: If the member has any information as to the man's general health and welfare, I will be more than pleased to receive it.

Mr. Deans: He's afraid.

Hon. Mr. Clement: Perhaps he might arrange to have him examined by one of his colleagues.

Hon. Mr. Rhodes: The member for Sudbury East got a mortgage from him.

Mr. Speaker: The oral question period has now expired.

Petitions.

Presenting reports.

Motions.

Introduction of bills.

Orders of the day.

Clerk of the House: The 32nd order, House in committee of supply.

ESTIMATES, MINISTRY OF HOUSING
(continued)

On vote 801:

Mr. Chairman: Does the minister wish to speak?

Hon. D. R. Irvine (Minister of Housing): Mr. Chairman, last evening there were, in my opinion, some rather serious allegations made. I think it might be in the interests of all the members of the House if I were to reply to the member for Grey-Bruce (Mr. Sargent) and the member for Nipissing (Mr. R. S. Smith) in order that we can bring into proper perspective the allegations that were made.

An hon. member: Where is the member for Grey-Bruce?

Hon. Mr. Irvine: In regard to the question raised by the hon. member for Grey-Bruce on the acquisition of land in Saltfleet, I wish to report as follows:

In March, 1967, OHC was approached by a Hamilton real estate firm with respect to certain lands in Saltfleet township.

Mr. I. Deans (Wentworth): Which firm?

Hon. Mr. Irvine: These lands comprised a portion of the land which OHC finally purchased in 1967. In April, 1967, OHC was approached by the firm of Jon-Enco Ltd., which had taken over the previous owner's interest in the lands. Whereas the previous owner had a relatively small acreage—I repeat, a relatively small acreage—the new offer comprised 1,500 acres in Saltfleet and in Binbrook townships.

It is our understanding that Jon-Enco Ltd. had received offers from 32 owners to purchase as follows: 11 in March, 1967; two in May, 1967; two in July, 1967; one in August, 1967; 13 in September, 1967; two in October, 1967; one in November, 1967. Most of the offers received did not have to be closed until late 1968 or 1969.

In July, 1967, OHC received a letter from the township of Saltfleet, signed by Mr. J. Butler, deputy clerk-treasurer, requesting OHC's participation. It read as follows:

> I am directed by council to request that the Ontario Housing Corp. participate in the scheme being developed by Jon-Enco Ltd., of Toronto, Ont.
>
> The area of development—

I beg your pardon?

Mr. Deans: I am sorry, when was that?

Hon. Mr. Irvine: I will repeat it for the member for Wentworth. In July, 1967, OHC received a letter from the township of Saltfleet, signed by Mr. J. Butler, deputy clerk-treasurer, requesting OHC's participation, which reads as follows:

> I am directed by council to request that the Ontario Housing Corp. participate in the scheme being developed by Jon-Enco Ltd., of Toronto, Ont.
>
> The area of development being considered by this company is located at the west end of the township of Saltfleet, south of the Niagara Escarpment. This scheme was recently discussed with Mr. Brady of the Ontario Housing Corp., with Mayor Victor Copps of the city of Hamilton, and Reeve Leslie Thomas of the township of Saltfleet.
>
> We would appreciate early consideration regarding this by the board of directors.

The board of directors passed a resolution on Dec. 19, 1967, as follows:

> It is resolved that Ontario Housing Corp. purchase 1,500 acres of land in Saltfleet and Binbrook townships from Jon-Enco Ltd. at a purchase price of $4,000 per acre and a maximum price of $6 million; resolved further that Ontario Housing Corp. purchase an additional 62.75 acres of land in the township of Binbrook from Jon-Enco Ltd. at a price of $4,000 per acre; resolved further that the necessary engineering studies on the above lands be proceeded with.

Mr. Chairman, the appraisal report from Stewart, Young and Mason indicated:

> In my opinion, as of Sept. 30, 1967, the market value of the property is $3,350,000, or $2,135 per acre. The land residual value as of the same date is estimated to be $8,220,000, or $5,440 per acre.

Mr. Deans: What does that mean?

Hon. Mr. Irvine: There are many factors involved in the acquisition of land sites, Mr. Chairman, and I think the hon. member should know this. One is the availability of land in a given area. Another is suitability of purpose. Accessibility in relation to the community must be considered and, of course, the viability of costs.

All these factors, plus many others, are taken into consideration. I want to say, Mr. Chairman, to the members, if this land acquisition had been based merely on the appraisals which I've outlined, merely on the appraisals alone, then the price paid by the corporation could be considered to be open to criticism. Appraisal reports and opinions of value are subjective at the time they are made, and are not the only criteria that we use in land acquisition.

Interjection by an hon. member.

Hon. Mr. Irvine: Annual housing demands, shortages of serviced lands, the industrial growth taking place in the community, the availability of large parcels; all have to be taken into consideration when land acquisitions are made. And also, there must be the willing co-operation of the municipal councils in order to accept growth. The appraisal reports are only one consideration of the many in the final determination.

However, Mr. Chairman, although it is evident that OHC paid more than the appraised value of the land in question—

Mr. Deans: Twice as much.

Hon. Mr. Irvine: —it would appear from all the foregoing and all that has happened since—and the hon. member from Wentworth better listen very carefully to this—that the corporation was very wise—

Mr. Deans: I'm listening.

Hon. Mr. Irvine: —in its decision to act, rather than reject the proposals because it could not obtain the land at its appraised value.

Yesterday, the member for Grey-Bruce in mentioning this particular acquisition in Saltfleet, indicated he had spoken to Mr. Murchison, formerly from OHC. He inferred that Mr. Murchison had not been in agreement with this purchase. I want to set the record straight, Mr. Chairman. I would like to quote from a telegram signed by Mr. Murchison, to the federal government—to CMHC—in which he sent data supporting the application of this land assembly. It says:

> FOR YOUR INFORMATION IN RESPECT TO LAND VALUES IN SALTFLEET, WE HOLD SUPPORTING DATA ON ACTUAL SALES IN SALTFLEET FOR VARIOUS SIZE PARCELS WHICH WILL RANGE FROM A LOW OF $4,000 PER ACRE IN JANUARY 1966 TO A HIGH OF $15,400 PER ACRE. THE GREAT MAJORITY OF THE SALES MADE IN THE LAST YEAR FALL WITHIN THE RANGE OF $8,000-$10,000 PER ACRE.

Mr. Deans: But not in that area.

Hon. Mr. Irvine: It continues:

> THE LARGEST PARCEL OF APPROXIMATELY 85 ACRES SOLD IN 1965 WAS AT THE FIGURE OF $6,220 PER ACRE. WE HOPE THIS INFORMATION WILL ASSIST YOUR CON-

SIDERATION OF OUR COST FIGURE ON THE PROPOSED PRJECT.

That is Mr. Murchison.

The corporation submitted to CMHC a request—

Mr. Deans: That is a real whitewash.

Hon. Mr. Irvine: —for financing of this project.

Mr. J. E. Bullbrook (Sarnia): That has no substance at all. You shouldn't insult our intelligence with that kind of thing.

Mr. Chairman: Order please.

Hon. Mr. Irvine: CMHC, by a letter dated Jan. 5, 1968, approved the purchase of the land—

Mr. Bullbrook: They are in variable sizes. You can do that with any piece of property.

Hon. Mr. Irvine: —after they had made their appraisals. I quote CMHC as follows:

> We are pleased to advise you that Governor in Council approval was given by PC 1967-2401 to the entry into agreements between the government of Canada, Ontario Housing Corp. and Central Mortgage and Housing Corp., pursuant to section 35A of the National Housing Act, 1954, respecting the acquisition of approximately 1,500 acres of land in Saltfleet township for future housing development.
>
> We assume you will be preparing the necessary land acquisition and holding agreement and we look forward to its early receipt.

Mr. Deans: When was that?

Hon. Mr. Irvine: Jan. 5, 1968.

Mr. Deans: Is it possible to get a copy of that, so that we can read it as well?

Hon. Mr. Irvine: Yes. Well, I am sorry; I only have this one copy.

Mr. Bullbrook: Prepared by OHC.

Hon. Mr. Irvine: Therefore, Mr. Chairman, I am saying this transaction was approved not only by our government, but also by the federal government.

Mr. Bullbrook: That is misleading. On a point of order—

Hon. Mr. Irvine: As a result of this—

Mr. Chairman: The member for Sarnia.

Mr. Bullbrook: A point of order. I say to you, Mr. Chairman, that's a deliberate attempt to mislead this House in saying that the federal government—

Mr. Chairman: Order.

Mr. Bullbrook: Sir, the point of order is: In saying that the federal government, in essence, approved the values. That is the essence of your statement—the question of values and you know full well CMHC doesn't even look into your values. You have carriage of it. and they rubber stamp the 90 per cent participation. And that's exactly what happens.

Mr. Chairman: I would draw to the attention of the member for Sarnia that it is not parliamentary procedure to accuse a minister of misleading the House.

Mr. Bullbrook: Well, sir, it might not be parliamentary procedure.

Mr. M. C. Germa (Sudbury): It is the truth.

Mr. Bullbrook: I am suggesting to you that the minister misleads the House, perhaps not deliberately, but the thrust of his statement is that he is talking about values. His last statement was that the federal government approved of this; and I, as one member, took it that he meant that they approved of the valuations. The fact of the matter is they don't even look into it.

Mr. Chairman: It seems to the Chair that the member has a disagreement with the hon. minister, but not a point of order. Would he continue?

Mr. A. J. Roy (Ottawa East): What is the point?

Mr. V. M. Singer (Downsview): He has made his point.

Hon. Mr. Irvine: Mr. Chairman—

Mr. Singer: If the minister has some answers, let him answer us.

Hon. Mr. Irvine: —I would assume that the federal government has the expertise to understand whether or not the transaction should be approved.

Mr. Bullbrook: They don't.

Mr. Roy: You know darn well they do not.

Hon. Mr. Irvine: The hon. member has interpreted it one way, which is up to himself to determine.

Mr. R. F. Ruston (Essex-Kent): You have full jurisdiction.

Mr. E. R. Good (Waterloo North): It is time they took a look into OHC.

Mr. Roy: Yes, and you guys can't be trusted.

Hon. Mr. Irvine: Mr. Chairman, I'd like to carry on with the rest of my statement, if I might, to inform the House that as a result of this very timely—in my opinion—land acquisition, the corporation has recently received proposal calls for the construction of 254 housing units.

Mr. Deans: Seven years later.

Hon. Mr. Irvine: This proposal call will be approved, I expect, by the OHC board of directors. The builders submitting the proposal calls will be approved on Nov. 19. The important part of this is that the prices will range from $18,400 to $21,000. Where can we get a better value than that? I ask anyone to deny that that is not good value. This, together with the current land value, which includes the original acquisition costs, interest and carrying cost to date, as well as the servicing cost to date, will allow individuals at income levels of between $11,850 and $12,700 to qualify for home ownership.

Mr. Deans: And the payments will be what?

Hon. Mr. Irvine: The total book value of a 50-ft lot, including all of the above-mentioned services, is $15,100—and compared with today's market value of approximately $23,000, which I believe the member for Wentworth mentioned last night, is, in effect, 25 per cent less than the present market value. For a 30-ft lot, and a semi-detached house, the book value is $11,490.

Mr. Roy: What does that do to the money you paid six years ago?

Hon. Mr. Irvine: Again, that is 35 per cent below today's market value of $17,000.

Mr. Singer: He is not answering the question.

Hon. Mr. Irvine: Thus, through the acquisition of the land outlined, the corporation in the ensuing seven years will be able to produce a total of 10,000 housing units providing accommodation for 40,000 people.

Mr. Deans: I know. I told you that. I am aware of it.

Hon. Mr. Irvine: I think it should also be noted by the hon. members for Wentworth and Grey-Bruce, Mr. Chairman, that OHC has developed 1,988 homes on Hamilton Mountain under the HOME programme, including 739 this fiscal year.

Mr. Deans: I am aware of that too—and you made an awful botch of it.

Mr. Chairman: Order, please.

Hon. Mr. Irvine: I have the supporting documents here, Mr. Chairman. I think they pretty well outline in full detail what did happen and, in my opinion, support what OHC did in the year 1967 and following.

Mr. Deans: May I ask some questions about that statement?

Hon. Mr. Irvine: If you don't mind, I'd like to follow through with the other questions that were raised. I want to talk to the—

Mr. Deans: Could we deal with the one qustion first, because I have no concern in the other question.

Hon. Mr. Irvine: I have concerns as to what was raised by the member for Nipissing.

Mr. Deans: You can do that after we talk about the one you have just raised.

Mr. Roy: That's a different problem.

Hon. Mr. Irvine: Mr. Chairman. I think I will determine what we'll do in this particular case.

Mr. Deans: I think you will not determine what we will do.

Mr. Roy: Mr. Chairman, what is he—

Interjections by hon. members.

Hon. Mr. Irvine: I have not finished my statement—

Mr. Deans: He has finished his statement with regard to the question we were talking about. Now, he is not going to answer another one until we talk about it, supposing we have to stand here all day.

Mr. Chairman: Order, please.

Hon. Mr. Irvine: Mr. Chairman, I started my comments by saying that I wished to reply to the member for Grey-Bruce and to the member for Nipissing. I didn't mention that I was going to reply specifically to the member for Wentworth.

Mr. Deans: On a point of order, you have made reference to me specifically on at least two occasions during your speech. Since you did, I take it upon myself to ask the questions

that I think are appropriate about the statement that you have just finished making. That is my job.

An hon. member: No.

Mr. Deans: Now don't try to cloud it by raising another issue. Let's deal with the one issue first. That seems to make common sense. We didn't deal with both issues at the same time last night.

Hon. W. D. McKeough (Minister of Energy): Oh, go and have a cup of coffee.

Mr. Deans: Surely we can deal with them as we did last night, separately.

Hon. Mr. Irvine: As a matter of fact, Mr. Chairman—on a point of order—we did deal with them all at one time. We had them come up exactly at the same time.

Mr. Roy: That is a good way to get out of answering questions.

Mr. Deans: Mr. Chairman, we didn't. The minister is answering a question that was initially raised by the member for Grey-Bruce which I followed up on; I raised some questions which he has answered directly to me by name. I now want the opportunity to ask him some questions about his answer to my questions of last evening. I don't want it muddied up by another statement regarding an entirely different project in another part of the province.

Mr. Chairman: It would seem to the Chair it's the minister's prerogative to conclude the statement. It's the same when an hon. member is making a statement or asks a question; he can conclude his question or statement before the minister interrupts, so I think that we should let the minister finish.

Hon. Mr. Irvine: Mr. Chairman, I am sure the member for Wentworth can well remember what I said. He has a very good memory.

Mr. Deans: Thank you very much, I cannot. It was a lengthy statement.

Mr. Roy: It was an extremely confusing statement.

Hon. Mr. Irvine: Mr. Chairman, this is in regard to the question raised by the member for Nipissing concerning the purchase of land by OHC in North Bay from Gateway Developments Ltd. in 1969. On Aug. 26, 1966, the city of North Bay requested the Ontario Housing Corp. to ascertain the need for serviced residential land to be made available under the HOME plan. I would like the member for Nipissing to listen if he would please.

Mr. R. S. Smith (Nipissing): I am listening and I am sitting here.

Hon. Mr. Irvine: The survey I made recommended that OHC undertake a six-year programme to accommodate 600 Home Ownership dwelling units. In order to satisfy the need for serviced building lots in 1970, it was considered necessary to purchase registered service lots rather than raw land that would require planning and servicing.

Our investigation revealed that serviced land available for building at that time was not abundant. Two subdivisions in the West Ferris area, together with three other subdivisions in the Widdifield area were considered for our purposes. Gateway Development Ltd., one of the developers, submitted an offer to sell serviced lots in the West Ferris area for $4,700 per lot.

Negotiations were carried out with the vendor, resulting in a revised offer of $4,300 per lot. This was later reduced to $4,200 per lot and was substantiated by an independent appraisal by a Mr. J. V. Holmes, of North Bay. I have the appraisal and I wish to read it. I think the main part is the last paragraph. I could go on in detail and maybe I should; it does give out some very valuable information. I will give the appraisal in detail.

Letter of opinion re subdivision land being referred to as a registered plan M327 and containing 112 residential building lots.

Registered owners: Gateway Developments Co. Ltd., 30 lots; Kirkwall Holdings Ltd., 82 lots.

Location: The subject property is located in the former township of West Ferris now amalgamated with the city of North Bay. This property is three city blocks east of Lakeshore Dr., which is the main thoroughfare, and is located in the midst of an area that is being developed in successive stages. The type of residential dwellings in the adjoining subdivisions has been the project type dwelling, being approximately 1,050 to 1,100 sq ft, brick veneer bungalow and split level models. This particular subdivision is reasonably close to both primary and secondary schools as well as local shopping, banking, etc.

Size of land: The subdivision land referred to above contains 112 lots, 30 lots located on Strathcona Dr., 82 lots on Van Horne Cr. These lots are each of a size to meet land size requirements for a single-family dwelling by the city of North Bay, as this is a registered plan. The average

size of all lots is 50 wide in frontage by a depth of either 100 ft or 105 ft with the exception of the lots on the east side of the subdivision, which back up to a strip, being parcel 660, belonging to the city of North Bay, which also adjoins both Canadian Pacific Railway and Ontario Northland Railway lines. Almost all these lots have a 50 ft wide frontage, although the average depth is 149 ft. This extra depth would be the compensating factor on these particular lots.

The next part of this appraisal, I think is most important. It is the description of the land.

The actual land of each of these lots is rather low-lying and would definitely require fill. This letter of opinion assumes that no additional fill will be dumped on the individual lots and that the purchaser will establish his own lot grade.

Land use: As this subdivision of 112 lots is zoned R1, only single-family dwellings may be built here.

Services: The value per average lot mentioned below is to include the following fully paid services: Sanitary sewers, house connections, 28-ft asphalt road, swales and culverts, storm sewers, water mains, street lighting, street signs and back lot overhead hydro.

On information gathered by the writer from the engineering firm re the above services it is understood that approximately two-thirds of Van Horne Cr. will be serviced with storm sewers and one-third will have drainage ditches, and that approximately three-fifths of Strathcona Dr. will be serviced with storm sewers and two-fifths will have drainage ditches.

Special note: In addition to the price paid for a subdivision lot in any new subdivisions in the former township of West Ferris since 1966, there is an extended service fee of $450 which is payable to the city of North Bay at the time the building permit is requested. This is a mandatory charge and cannot be waived, unless by-law No. 907 were to be changed.

Estimate of value: After taking all facts into consideration, including raw land costs, servicing costs, this area of housing market, demand and so on, I would estimate that the current market value for single-lot sales to an individual or a builder for an average 50-ft wide lot at $4,200, not including the extended service fee referred to above.

It is signed by J. V. Holmes, along with his qualifications.

After that appraisal on Oct. 28, 1969, the OHC board of directors approved the purchase of 112 serviced building lots. Provincial approval was given on Dec. 18, 1969. On March 12, 1970, CMHC approved a 90 per cent loan to OHC under 35C of the National Housing Act to assist in the development of these lands. Servicing was installed as scheduled and the lots were marketed in two phases—30 lots in 1970 and 82 lots in 1971.

Mr. Chairman, the full details of this acquisition were fully explained to the hon. member in a letter dated June 12, 1970. For the information of the members of this House, I'll read the letter into the record.

June 12, 1970

Mr. Richard S. Smith, MPP,
Parliament Buildings,
Toronto, Ont.
Dear Mr. Smith:
Re: North Bay HOME 169.

Mr. R. S. Smith: On a point of order, Mr. Chairman.

Mr. Chairman: A point of order for the member.

Mr. R. S. Smith: I have never questioned the fact that I received that letter or do I question what was in that letter. If the minister wants to waste the time of the House and read the letter, that's fine with me. It just says exactly what he's just gone over. How many times does he have to go over the same thing like a machine? If we're going to waste our time, we might as well waste it doing something else. Let me reply to him.

Mr. Chairman: The Chair rules that that is not a point of order. Will the minister continue?

Mr. R. S. Smith: It is not a point of order in this House to get up and complain about repetition? Is repetition allowed under the rules of the House?

Mr Chairman: Certainly needless repetition is not allowed but it was the Chair's impression that the hon. member wanted the letter read into Hansard, and it wasn't last night.

Mr. R. S. Smith: He didn't have to read it at all.

Mr. Chairman: No, but the minister would like it read into the record.

Mr. R. S. Smith: Well, let him read it in, I don't care what he does; but it is needless repetition which you should rule on.

Hon. Mr. Irvine: Thank you, Mr. Chairman. It is not repetition at all, but I would

point out to the hon. member before I proceed that there are many times that we have had to listen from this side of the House to certain things said many, many times, on the same day, and in the same hour in many cases.

Mr. Chairman: Would the hon. minister continue? There is no need to lecture the House.

Hon. Mr. Irvine: Thank you, Mr. Chairman. That's the way I would like the hon. Chairman to rule the House. Thank you very much. I will now read the letter:

Dear Mr. Smith:
Re: North Bay HOME 1/69.

I am enclosing for your consideration the material you requested from the hon. Stanley Randall in the rent committee meeting dealing with the Ontario Housing Corp.'s estimates. This material consists of an appraisal prepared by Mr. J. V. Holmes, AIC of North Bay, and also a letter from Gateway Developments Co. Ltd. to this corporation, outlining terms of their offer of Sept. 29, 1969.

Gateway Developments Co. Ltd. first offered to sell serviced lots in the West Ferris area for $4,700 per lot. Negotiations were carried out further with the vendor, resulting in a revised offer of $4,300 per lot. This was later reduced to $4,200 per lot, and was substantiated by an independent appraisal by Mr. Holmes from North Bay.

In your comments, you indicated that Ontario Housing Corp. purchased these lots considerably above the market value, since lots in that area were selling for $3,700 each. Our recent investigation suggests that these lots were sold in January and February of 1968 for $3,750 each, whereas our negotiations pertain to lots to be serviced and delivered in 1970. As you will appreciate, in this two-year span servicing costs have risen considerably, and the current market value of lots in this area is considered to be not less than $5,000. This fact has been substantiated by Central Mortgage and Housing Corp., which has contributed a 90 per cent loan for the development of this subdivision under section 35C of the National Housing Act.

We realize that the large residential area of West Ferris, near Lake Nipissing, has a high water table. All houses built in this area for many years have had to accommodate this particular soil condition. Soil tests by the engineering firm of Proctor and Redfern, North Bay, have confirmed that the area is quite appropriate for residential building, providing the usual precautions are taken.

Twenty-six of the 112 lots are 149 ft in depth and back on to a 60 ft strip of land owned by the city, forming a buffer zone toward the Canadian Pacific Railway right of way. The railway tracks are actually 222 ft from the houses to be constructed, and as a condition of Central Mortgage and Housing Corp., the vendor is required to provide an effective tree screening at the rear of all lots backing onto the land owned by the city of North Bay.

We are assured to have purchased serviced lots at a reasonable cost, and expect to market the lots later this year.

Yours sincerely,
Paul R. Goyette
Deputy Managing Director, Development

Mr. Chairman, in my opinion the above letter fully clarifies the question at issue. The hon. member brought up the point that the lots were purchased above cost and that they weren't proper lots for servicing.

Mr. R. S. Smith: Which is correct.

Hon. Mr. Irvine: And I say that the letter proves that they are. I might add also—

Mr. R. S. Smith: If you look at the rest of your correspondence with the people who built on those lots after, and look at how much money they had to spend on fill, I was correct at the time and you were dead wrong —and you know it.

Hon. Mr. Irvine: I might add also that the hon. member is well aware that all the houses in that particular area have the same problem. It is up to the individual, whether it is OHC-built, or whoever builds it, they all have to take the same precautions.

Mr. R. S. Smith: That's not true; it is not a true statement.

Hon. Mr. Irvine: OHC approved the purchase of 93 serviced lots in North Bay in March, 1973, at a price of $7,500 per lot, considerably more than what we were talking about before. This price is fully supported by two independent appraisals, as well as an in-house appraisal.

Mr. Chairman, in reply to the two members, I feel that OHC has acted in the best interests of everyone. In speaking directly to the member for St. George, I would like to be advised today if we have evidence to substantiate the charges which she made last night.

Mr. D. A. Paterson (Essex South): Well, open your books.

Mr. R. S. Smith: Mr. Chairman, I would just like to make a few comments on what the minister has said. First of all, there is no question that properties were being sold at $500 per lot below the price OHC paid in adjacent subdivisions which had a far better water table level and where much less money had to be spent on those lots in order to make them usable. These lots were purchased at approximately the same time by builders who went in and built on them and provided homes at less than the cost that could be provided on these lots.

You bought 112 lots and you paid at least $500 too much for each of the lots. Following that, you sold the first 30 on the basis, I believe, of individual sales on leasebacks. Is

it not correct that the first 30 were on lease-backs?

Hon. Mr. Irvine: The first part of your statement is not correct because the appraisal certainly doesn't show that we paid $500 more. I was just going to ask whether this is a matter for you to judge, or have you got an appraisal to substantiate your charges?

Mr. R. S. Smith: Yes, I have the word of other subdividers and of other builders in the area who sold and purchased lots. They told me they sold and purchased lots and showed me their agreements of sale at a very similar time for $500 less. These were not in the same subdivision because nobody would buy lots in this subdivision because they were so sloppy. Nobody wanted them.

Hon. Mr. Irvine: Somebody did.

Mr. R. S. Smith: Yes, you did. You were the only fish around. Your outfit bought them and paid away too much for them, and you know it.

We will go farther than that. I asked you how the first 30 were sold and obviously I am not going to get an answer on that. They were sold on the basis of a lease to the individual person over five years and then he had the option to pick up the lease under the HOME programme. As for the next 82, they found that didn't work too well because they had a hang of a time getting rid of them, although they did finally get rid of the 32. They found a builder then who would take the majority of these lots off their hands. He went in there and took an awful risk and built on those lots. He built a good home for the price, and people got good buys.

The builder was left with a bill of $800 and some dollars per lot that he had to pay for fill before he could use the lots. There was a great amount of negotiation between Ontario Housing Corp. and the builder as to who should pay this $800, because obviously the builder was sold a bunch of lots that weren't usable, even though they were serviced to the point as outlined in your letter.

The fact of the matter is there was not one inch of fill put in by you before you sold them to the builder. The builder had some difficulty because of this, but because of his ingenuity he was able to put up a good house and get out of it and get you guys out of it too. You never assisted him one damn bit for your mistake in buying a piece of bog, which is what you did buy.

Since that time, there has been correspondence between individual home purchasers in the area and your ministry in regard to water run-off in the yards of a number of people in the area. There is no place for the water to go, particularly in those areas where there are no storm sewers. I have had correspondence with your ministry on behalf of at least one constituent back and forth for a period of two or three years without any results whatsoever.

The fact of the matter is that the thing was a bog from the start. It was a sale made by Gateway Developers, who had nothing to do with the Gateway at all. They don't even come from North Bay; they come from Thunder Bay. A group of people wanted to get rid of a piece of bog and they found the only buyer who would buy it, and even that buyer was prepared to pay too much. I think that is obvious.

Hon. Mr. Irvine: Mr. Chairman, the fact of the matter is that the hon. member doesn't know what he is talking about.

Mr. R. F. Nixon (Leader of the Opposition): That's the final answer?

Mr. Roy: That is arrogant.

Mr. R. S. Smith: The fact of the matter is, Mr. Chairman, that the hon. minister is obviously not interested in looking at the thing from the point of view of an independent person. He's more interested in protecting Ontario Housing Corp. and his government than he is at looking at factual information.

Mr. Chairman: The hon. member for Wentworth.

Mr. Deans: Thank you. I have two or three things to say. I cannot commit to memory everything the minister said in his opening statement. It was very long and I would love to have had a copy of it, because there is a lot in it.

I want to ask the minister a couple of questions. First, am I right in assuming that Ontario Housing Corp. operated in 1967-1968 and perhaps operates even today fairly independently of the minister in the purchase of land, and that the decisions that it makes are not influenced in any way by politics of political considerations?

Hon. Mr. Irvine: Mr. Chairman, I can't say exactly what the process was in 1967-1968, but my understanding is that Ontario Housing Corp. acted as a corporation on behalf of the government. It went through the usual channels of appraisals, approvals by the board, approvals by Management Board —Treasury, at that time—and then by the cabinet. At this particular time, 1974, Ontario

Housing Corp. is part of the Ministry of Housing.

Mr. Deans: Okay. I just want to be clear. I'm correct then in assuming that the board of directors of Ontario Housing Corp. made the decisions based on the merits of the purchase and that there was no input from the government as to whether or not it should purchase or otherwise. They were in the business of acquiring land when it seemed appropriate to do so and the price was right. Is that fair?

Hon. Mr. Irvine: I would say that it's fair to assume that any corporation acting on behalf of the government would do so in the best interests of the people of the province.

Mr. Deans: I want to go back with the minister for a moment to some of the things that do stick in my mind. The board of directors of Ontario Housing Corp. approved the purchase in December. Is that right? That's what the minister said. I can recall that. I also recall telling me that Jon-Enco was acquiring property through the months of April, May, June, July, August, September, right through until the month of December. Is that right? Not every month, necessarily, but through that period.

Hon. Mr. Irvine: In 1967.

Mr. Deans: In 1967, right through into December, right?

Hon. Mr. Irvine: Wait a minute, now. Maybe we're talking about two different things.

Mr. Deans: I'm talking about acquiring; the minister said they continued to acquire property. They took on the initial holdings of this mystery real estate company and they then went on and continued to acquire properties up to and including the month of December.

Hon. Mr. Irvine: Yes, I'm sorry. What I was referring to is that they received offers from 32 owners, and I thought the member was quoting from that. I mentioned March, May, July, August, September, October and November.

Mr. Deans: And they acquired those properties or took options on them. Is that right? This is the closest we've ever come, by the way, to finding out what really happened, because when I asked the questions back in 1968 and 1969, I was told that it couldn't be revealed. Okay? So I'm interested now in getting at the truth of the thing.

Can the minister tell me which real estate company it was that made the offer to the government in March, 1967, as I recall his statement, for a smaller parcel of land than that which was finally purchased from Jon-Enco?

Hon. Mr. Irvine: My staff inform me that it was Kronas.

Mr. Deans: Can you tell me what size the parcel of land was that Kronas offered to the government which was turned down?

Hon. Mr. Irvine: No, I can't.

Mr. Deans: You can't.

Hon. Mr. Irvine: Anyway, I mentioned that.

Mr. Deans: Yes, you said much smaller. I don't know what that means. Can you tell me who the owners or the principal holders of Jon-Enco are?

Hon. Mr. Irvine: Yes, I can, Mr. Chairman. Jon-Enco Ltd.—

Mr. Deans: When was it incorporated?

Hon. Mr. Irvine: The following information is from the June 27, 1974, annual returns of the above firm: President, John Innis; treasurer, David Innis; director F. F. Cunningham. The company was chartered in June, 1958. The objective of the company was to purchase, lease, otherwise acquire, rent, operate, manage, develop, construct buildings, to sell or dispose of real property and to mortgage same.

Mr. Deans: Okay. Was it a company that dealt extensively with the government? Can you tell me that? Had it acquired properties prior to that time and since that time for the government of Ontario?

Hon. Mr. Irvine: Not at that time, I'm informed.

Mr. Deans: Not at that time. Okay. Maybe you can explain something to me. I didn't understand you. You used two terms in discussing the value of the land per acre. As I recall, you used the value of the land, which was something like $2,100 an acre, and then you used another term, which escapes my mind but which raised that value up to something in the order of $5,000 an acre. What was that second term?

Hon. Mr. Irvine: The second term, as I read it out, was: "The land residual value as of the same date is estimated to be $8,220,000 or $5,440 per acre."

Mr. Singer: Your figures are lousy.

Mr. Deans: Can you tell me what the land residual value is, as of that date?

Hon. Mr. Irvine: The land residual value is the value of the land, taking into account the future development of the land at whatever time of the year and whatever year it may be. You have to understand that if you buy land in 1967 it is going to be worth considerably more in 1974.

Mr. Deans: Right.

Hon. Mr. Irvine: I believe that is the explanation of residual value.

Mr. Singer: Oh come on. It's going to be worth even more in 2073!

Mr. Deans: Is the minister telling the House that the Ontario Housing Corp. looks at the value paid for the land and most of this land was either assembled or purchased or options were taken during the year 1966-1967, with the option value average being $2,100 an acre or thereabouts—and that the Ontario Housing Corp. then takes into consideration what the land may well be worth at some subsequent point in time—

Mr. M. Gaunt (Huron-Bruce): The year 2000.

Mr. Deans: —and pays the person an amount appropriate to the land value, in this case, seven years later?

Hon. Mr. Irvine: No, Mr. Chairman, what I'll tell the House is exactly what the appraisal says—I have the appraisal right here—and the hon. member can determine for himself whether or not he agrees with it.

> The land residual value as of the same date is estimated to be $8,220,000 or $5,440 per acre. The land residual estimate is the value of the property before deduction for profit in connection with its future development as set out herein.

The reason I hesitated while reading that was that I couldn't make it out too well. It is pretty old, but in any event that's what it says.

Mr. Singer: What does it mean?

Hon. Mr. Irvine: That is signed by Stewart, Young and Mason.

Mr. Deans: Okay. I want to be sure. Am I right in saying that the land cost Jon-Enco an average of $2,100 or $2,200 an acre—I think that complies with what you said, that $3,350,000 was approximately what they laid out for the land at the time of the purchase; I think you read that into the record—and that within a matter of one month from them acquiring the last parcel, the Ontario government was prepared to pay $8,220,000 for something that cost that company only $3,350,000? Do you call that looking after the public funds?

Hon. Mr. Irvine: Mr. Chairman, on a point of order, I'd like to make it very clear that the Ontario government did not pay $8,220,000—

Mr. Deans: No, I know you paid about $6 million—

Hon. Mr. Irvine: The hon. member did say that the Ontario government was prepared to pay the amount he mentioned—

Mr. Roy: You were tough bargainers. You went down to $6 million.

Hon. Mr. Irvine: The Ontario government obviously was not prepared to pay $8,220,000.

Mr. Deans: Okay. It is my recollection that you paid about $6 million.

Hon. Mr. Irvine: I quoted the figure—

Mr. Deans: Is that fair? About $6 million in ballpark figures?

Hon. Mr. Irvine: Yes.

Mr. Deans: About $6 million—a little more than $6 million in fact.

Hon. Mr. Irvine: No, just a minute, Mr. Chairman. On a further point of order, I read to the House—and I'll read it again. The resolution was that the OHC would purchase at a price of $4,000 per acre and at a maximum price of $6 million.

Mr. Deans: That's what you paid? Okay. You paid $6 million in December, 1967, for land which was assembled in one calendar year previous, the last parcel of which was assembled in the month of November going into December, the average price of which was $2,100 an acre, the total cost of which to the developer—or speculator, as I might like to call him—was $3,350,000 or thereabouts. You paid him $6 million some weeks later for the land.

I'll tell you what more you did. Do you know that before that land was approved by

Ontario Housing Corp., the minister of housing at that time—Minister of Trade and Industry, as he was called at that time—announced the development in the paper on or about Oct. 6, 1967, before there had ever been a signed agreement with the company involved? He announced the satellite development on Saltfleet Mountain on or about Oct. 6, before the final properties had been assembled. There's something rotten about that. I think even you would agree that there is something very unusual.

Don't take my word for it, but I'll tell you where to look if you want to find that. Look in a Spectator on a Saturday around Oct. 6, because your colleague now representing Wentworth North (Mr. Ewen) was in some difficulty in that riding, as it happens, and Stanley Randall wandered out of his cave and said that he was announcing a great housing development in this riding in order to try and save the bloody thing He announced it on or about Oct. 6 and the Ontario Housing Corp. hadn't even dealt with it at that point, and that meant that the firm of Jon-Enco were still assembling the land. He had already agreed to the purchase price, obviously, or he couldn't have made that announcement.

Mr. R. F. Nixon: Who was elected in that election in that riding?

Mr. Deans: I'm not sure what his name was —he represents Wentworth. But I'm going to tell you that there is something rotten about the way you people do business.

Mr. R. F. Nixon: The Premier (Mr. Davis) said we are too political today. He was prepared to pay $6 million to bring Ewen into this House.

Hon. Mr. Irvine: Glad to see you back, Bob. You've been away for a while.

Mr. Roy: It was worthwhile; we won an election down there.

Mr. Deans: The member for St. George talked about the need for a public inquiry. It's not a public inquiry that is needed in this province, it's a housecleaning, because whatever it is that is wrong with this government's attitude towards expenditure of public funds is becoming more and more apparent each passing day.

Mr. Singer: Nine Tories in the House.

Mr. Deans: You attempt to justify in this House an expenditure of $6 million for something which was worth $3.3 million, and then tell me that we are lucky that you bought it seven years later, because "think of what it might have cost us," you know. Suppose we had paid the full price that it was worth.

Hon. Mr. Irvine: Eight million dollars.

Mr. Deans: Suppose we had paid the full price that it was worth. Even if we had, this so-called "residual value" that you are talking about would have added another $1,000 or something like that to the total cost.

Hon. Mr. Irvine: And we would still be further ahead than if we had waited until today.

Mr. Deans: Right. You would still be further ahead, but that doesn't justify paying more than something is worth.

Hon. Mr. Irvine: Well, whose judgement is that?

Mr. Deans: The fact that you are ahead doesn't justify your paying more, because what you are doing is—

Hon. Mr. Irvine: Whose judgement is that —yours?

Mr. Deans: Just wait a minute. If this is an indication of the attitude of the government towards the expenditure of funds, I can only assume that today when something is evaluated by the appraiser at $20,000 an acre, you are prepared to pay the residual value, which would be maybe $40,000 an acre, because that is your policy.

Hon. Mr. Irvine: No, it isn't.

Mr. Deans: And it means that with any given year in any given purchase you are paying twice what the product is worth in order to acquire it. That's transferring public moneys, through taxation of people who are working themselves to the bone, into the pockets of speculators. That's what you are doing. You are raising taxes in the province—

Hon. Mr. Irvine: On a point of order—

Mr. Deans: Point of order, nothing. You are raising taxes in the province—

Hon. Mr. Irvine: Mr. Chairman, on a point of order—

Mr. Deans: I'm not finished! I'm making my statement, just as you did.

Hon. Mr. Irvine: On a point of order—

Mr. Deans: You will have a chance to reply if you don't like it.

Hon. Mr. Irvine: On a point of order, the member said this is my policy. I want the member to withdraw that statement.

Mr. Deans: Not on your life!

Mr. P. D. Lawlor (Lakeshore): It appears to be your policy.

Hon. Mr. Irvine: Withdraw it.

Mr. Deans: Withdraw? You are joking!

Hon. Mr. Irvine: No, I am not.

Mr. Deans: You've got to be joking.

Hon. Mr. Irvine: I'm not.

Mr. Deans: Well, you look serious enough, but you've got to be laughing underneath.

Hon. Mr. Irvine: I am serious. You prove it is my policy.

Mr. Deans: Do you realize that you raise taxes in this province to pay for the money that goes into the pockets of the land speculators? This policy—whether it's yours personally or not, I don't much care which the government of Bill Davis has followed has allowed the Ontario Housing Corp. to pay out more than twice the actual value of the land.

Mr. Singer: And if he says "in whose opinion?", it's in the opinion of his own appraisers.

Mr. Lawlor: Whose judgement? Your judgement—bad judgement.

Mr. Deans: You people have just about gone as far as you can in terms of milking the public of the Province of Ontario to enhance your own supporters. It's about time that you took a serious look at your policies to see whether or not it might be about time that you tried to provide housing at a reasonable cost for the people of the Province of Ontario without using public funds to put money into the pockets of the speculators across this province. You are a disgrace.

Hon. Mr. Irvine: Mr. Chairman, the hon. member, as usual, has gone on with his harangue without really coming up with any facts.

Mr. Deans: The facts? What are the facts?

Hon. Mr. Irvine: Yes, because you didn't listen to what I said.

Mr. Deans: I did listen. I asked you for a copy of the statement—you couldn't give me one.

Hon. Mr. Irvine: It is in Hansard. You can read it tomorrow.

Mr. Deans: Yes, thank you very much. How do I debate what I can read tomorrow?

Hon. Mr. Irvine: Because you didn't want to listen to it in the first instance.

Mr. Deans: I listened to you very carefully. Tell me where I made a mistake.

Hon. Mr. Irvine: Where you made a mistake?

Mr. Deans: Tell me where I misled you.

Hon. Mr. Irvine: It's my understanding that although the appraisal value was X-number of dollars, there is another value that may be placed on any particular property.

Mr. Deans: By whom?

Hon. Mr. Irvine: By the government.

Mr. Deans: By the government.

Hon. Mr. Irvine: Or by the Ontario Housing Corp., or by any developer or any person in any part of Ontario or in any part of Canada.

Mr. Singer: What about the appraiser's value?

Hon. Mr. Irvine: And I think what I want to make sure is that the hon. member admit at least one very important matter—and that is that we have housing now which is much lower in value to the—

Mr. Haggerty: On paper.

Interjections by hon. members.

Hon. Mr. Irvine: —buyer than it would have been ordinarily. And I think the OHC board was quite correct in doing what they did.

Mr. Deans: I'll admit this, that the housing in that subdivision today is on the average $2,000 more than it should have been; that the cost to the average person in that subdivision is $2,000 more today than it ought to have been if he had paid the actual value of the land.

Can you tell me, just out of curiosity, what was the initial offer of the Ontario Housing Corp. to Jon-Enco? What was the first offer?

Hon. Mr. Irvine: I don't know; I am sorry.

Mr. Deans: You don't know?

Hon. Mr. Irvine: No.

Mr. Deans: Do you know if there was an offer made other than the offer of $6 million?

Hon. Mr. Irvine: No, I don't.

Mr. Deans: You don't know that either. Do you think it is the practice of Ontario Housing Corp. to make more than one offer, to offer something maybe around the value of the land initially?

Mr. Singer: Appraised value.

Mr. Deans: Appraised value.

Hon. Mr. Irvine: All I can say, Mr. Chairman, to the members right now, we do negotiate. In some cases we do take the appraised value; in some cases we take less than the appraised value. In some cases we decide that we should pay more in order to get certain properties.

Mr. Singer: There is this thing called residual value.

Hon. Mr. Irvine: If the municipal government in particular wants to have development in a hurry, or if, say, a site is worth more than the appraised value, then I think there is justification in proceeding with a particular development. Now, I mentioned to you before, there are many factors involved in the acquisition of land sites.

Mr. Deans: I understand that.

Hon. Mr. Irvine: You understand that?

Mr. Deans: I heard you.

Hon. Mr. Irvine: Then if you heard that, that is the answer to why the board decided to pay X-number of dollars.

Mr. Deans: May I ask you—I am going to be political for a minute.

Interjections by hon. members.

Mr. Deans: Do you think that I would be too far out of line if I wondered about the announcement being made sort of on the eve of the election—and considering it hadn't been approved by the Central Mortgage and Housing Corp.? Do you keep a record of your donations to the Tory party? And how much did Jon-Enco put in?

Hon. Mr. Irvine: Mr. Chairman, I think the member is being a bit facetious.

Mr. Deans: Do you think I am?

Hon. Mr. Irvine: I think so.

Mr. Deans: I am not smiling either.

Hon. Mr. Irvine: I think so, because he is asking questions to which obviously I wouldn't have any answers, and I don't think it has any bearing, whatsoever, on this particular subject which we are debating today.

Mr. Deans: No, well, I am going to tell you in one final comment. I happen to think that the reason it was announced on or about Oct. 6 was because you had to guarantee Jon-Enco that it was going to get the purchase from the government in order to get your donation.

Hon. Mr. Irvine: I don't suppose, Mr. Chairman, there will ever be a day that we can ever convince the socialist party—

Mr. Deans: You could convince me by opening your books.

Hon. Mr. Irvine: —that this government does things on the up and up. If you want to take any other—

Mr. Lawlor: Are you going to keep it on the up and up, my lord?

Hon. Mr. Irvine: —facts that I have given you and twist them as you have, that's fair enough.

Mr. Chairman: The hon. Leader of the Opposition.

Mr. R. F. Nixon: Mr. Chairman, I have been very concerned—

An hon. member: We missed you.

Mr. R. F. Nixon: I have been away for a day or two but I didn't realize they had missed me so much. I am very concerned, however, with the tenor of the discussion that has just gone on. Admittedly, it was referring to a circumstance back in 1967 and I remember distinctly the announcements being made by the then minister, Stan Randall, pertaining to the housing development in that area. This minister probably didn't even know whether he was a Conservative or not in those days, but perhaps he did.

Hon. Mr. Irvine: I have been a Conservative all my life.

Mr. Lawlor: You were born with a blue mark on your brow.

Mr. J. E. Stokes (Thunder Bay): It shows too.

Mr. R. F. Nixon: We'll see. He was then probably mayor of Prescott, and thinking that he had enough on his plate.

Hon. Mr. Irvine: I am not sure whether I was.

Mr. R. F. Nixon: Maybe it was your ambition to be mayor of Prescott at that time. Now he finds himself as Minister of Housing. We have had a Minister of Housing for just about a year.

Hon. Mr. Irvine. On Nov. 30.

Mr. R. F. Nixon: It was recognized by the government that this was an area of concern that was reaching crisis proportions across the province. By latest count, I guess, you are the third minister in the year and I suppose it's not fair to blame you personally for the problems that are now being put before you. I believe that the blame must be directed, however, at the minister responsible—and that is the incumbent—

Hon. Mr. Irvine: I will accept that.

Mr. R. F. Nixon: —and through him to Ontario Housing Corp. which has surely got to be one of the more serious political millstones hanging around the minister's neck and around the Premier's neck these days. Probably there will be another occasion to talk about the embarrassment all of us felt when so many staff members of Ontario Housing were indicted for accepting bribes.

There has already been discussion that the responsibility of the minister was to name those who had proffered the bribes. What concerns me today is the business acumen of Ontario Housing which would lead them to make business deals in the purchase of land which have amounted to unconscionable speculative profits and which are the responsibility surely of Ontario Housing for entering into the negotiations and agreements of the type that I now want to describe to you very briefly, Mr. Chairman.

In recent weeks, Ontario Housing has assembled 2,300 acres of land in the southeast portion of the present town of Milton, formerly known as north Oakville before they had the adjustment of the boundaries because of regional government. The land purchases were undertaken on behalf of the government by Thomas Millman Holden and John Peter Hamilton Ford, partners in the Milton law firm of Holden, Perras, Ford and Haesler.

The assembled land, which is bounded by Fifth Line, Eighth Line, Derry Rd. and Lower Base Line, is not within the proposed parkway belt but has been designated by the Oakville planning committee as agricultural land. In answer to my question today, there was some indication that the minister had approved the purchase of this land, because in the long run it might be used for housing but at the present time it was going to be used to maintain the land as agriculture, even though it is zoned agricultural and only an amendment approved by the minister's colleague, the Treasurer (Mr. White), would have permitted any change in that zoning.

Milton's chief planner told our researchers when they inquired about this that he has not been advised by the province of the purpose of the assembly. However, according to an article in the Oakville Beaver, Aug. 7, 1974, Ross Howard, a spokesman for OHC, has stated that the land will be used indefinitely for agricultural purposes and eventually develop as a new city with a population of up to 250,000. I simply bring to your attention again, Mr. Chairman, that the land was zoned already as agricultural and could have been left in productive agricultural work without any purchase.

Information compiled at the Milton land registry office reveals that the government's agents bought at least seven parcels of land in that 2,300-acre area from three companies, namely, Bonnydon Limited, Cedar Heights Construction Ltd. and Loring Developments Ltd. at substantially inflated prices. Mrs. Dorothy Freedman of 5 Overdale Rd. Toronto, is president of Bonnydon Ltd. and Cedar Heights Construction Ltd. Her husband, Morris Freedman, is vice-president of Cedar Heights Construction Ltd. and president of Loring Developments Ltd. In other words, those three companies are the ones which got the million dollar speculative profit on about 600 acres of land.

I want to make it clear to you, Mr. Chairman, that there's no evidence that the Freedmans or anyone associated with them had access to any special information, other than presumably their own wise counsel, in purchasing that land at a time, in one instance, just 31 days before the government of Ontario decided it needed it and was prepared to pay the inflated prices I've referred to.

These companies purchased each of the seven properties less than seven months before selling to the government, and one property was owned by Cedar Heights Construction Ltd. for only 32 days. The government paid $579,095 for that parcel on March 12, 1974—about $200,000, or 53 per cent more, than Cedar Heights had bought it for on Feb. 8. The seven government purchases pro-

vided speculative profits to the three companies in excess of $1 million.

I want to point out to you, sir, that six of the seven purchases were completed in March, 1974, when real estate prices around Toronto were at their peak, and less than one month before the Treasurer's land speculation tax was introduced in an attempt to deflate these prices. The government purchases, at grossly inflated prices, simply reinforced and accelerated the dangerous increase in land costs in southern Ontario, at a time when all government initiative should have been exactly in the opposite direction.

I want to bring the specific details of these seven transactions briefly to your attention, Mr. Chairman. There must be an explanation from the minister because he had considerable responsibility at that time in this area.

The first one was as follows: 83.44 acres, which was purchased on Oct. 11, 1973, by a company known as Loring Investments Ltd.

An hon. member: Sold by.

Mr. R. F. Nixon: Sorry. Sold by Loring and purchased by Bonnydon Ltd. for $265,000. They sold it on March 6, 1974—five months later approximately—to Thomas Millman Holden and John Hamilton Ford in trust, acting for Ontario Housing, for $458,928.25. The minister might want to be more precise in the subtraction, but it is a bit over $200,000 profit on that 83 acres in five months.

Mr. Singer: That's a pretty good deal.

Mr. R. F. Nixon: The second one was the property designated lot 4 concession 7, purchased on Sept. 6, 1973, by Bonnydon from Robert Romain for $312,000. Six months later, March 12, 1974, it was sold to Holden and Ford for $544,500—about $131,000 profit in six months.

Mr. Singer: Better than making locks.

An hon. member: Two hundred and thirty-one.

Mr. R. F. Nixon: Sorry, $231,000, yes.

Mr. Roy: You want to keep up a good average.

Mr. R. F. Nixon: Then the third purchase took place in August, 1973, from Tolglen Holdings Ltd., 89.7267 acres—the surveyors were very precise on this one—for $269,180.70.

Mr. Bullbrook: Bonnydon again.

Mr. R. F. Nixon: Bonnydon again, and sold by Bonnydon to Holden and Ford seven months later on March 6, 1974, for $493,446.85. Once again, a nice even $200,000. Perhaps a little more than that.

Mr. Singer: Two hundred and thirty.

Mr. R. F. Nixon: Two hundred and thirty thousand dollars, right.

Mr. Roy: They are keeping a good average—$200,000 for five months.

Mr. R. F. Nixon: The fourth one was sold to another company, also controlled by the Freedmans, called Cedar Heights Construction Ltd. The property is designated lot 8, concession 6. It was purchased from New Star Investments on Feb. 8, 1974, for $379,573, and sold by Cedar Heights to Holden and Ford 32 days later, March 12, 1974, for $579,095.

Mr. Bullbrook: You're shocking, really! Just shocking.

Mr. R. F. Nixon: Almost precisely $200,000. You can almost see that they wanted to keep their markup consistent.

Mr. Bullbrook: Free enterprise—$40,000 a week, that's not bad.

Mr. R. F. Nixon: Then the fifth purchase occurred on Dec. 14, 1973, by another Freedman corporation called Loring Developments —lot 11, concession 8. They paid $291,254.30 to Libsol Investments. Three months later, on March 13, 1974, Loring sold it to Holden and Ford for $516,741.30—once again just a little over $200.000.

Then there are two sales for which all the information is not complete. The registry office indicates the sale from Bonnydon in both cases to Holden and Ford but the purchase is not registered; it is not necessary under law to register it but there is information appended to the page at the registry office indicating the approximate dates when Bonnydon took ownership of the properties. The first property is the east half of lot 4 of concession 8; they bought it Feb. 28, 1974; 25 days later, on March 25, they sold it to the government for $562,815. There is no record of their purchase price, since the registry is not complete.

Mr. Bullbrook: Let's say $200,000.

Mr. Singer: A nice round figure.

Mr. Bullbrook: That's purely an educated guess.

Mr. R. F. Nixon: The seventh property, according to a note appended in the registry

office without the price of the property at its original purchase, was bought by Bonnydon, I believe, on March 29—lot 7, concession 6—and was sold 37 days later on May 6, 1974, to Holden and Ford for $530,068.

Mr. R. S. Smith: Another $200,000.

Mr. Singer: We could guess at another $200,000, give or take a few dollars.

Mr. R. F. Nixon: I would say, Mr. Chairman, that the direction of our criticism is at the minister and the Ontario Housing Corp. My colleague, the member for St. George (Mrs. Campbell), last night, much to the discomfiture of the minister, called for a full and public inquiry as to the business procedures of Ontario Housing; and this is something that the minister will have to undertake.

Mr. Bullbrook: It has to come.

Mr. R. F. Nixon: I am telling him now that he will have to undertake that inquiry. Anything less than that is going to be unacceptable to the taxpayers who have had to find the money for these particular purchases, which surely do not indicate the basic business acumen that we should require for those charged with public responsibility.

We on this side feel very strongly about this, Mr. Chairman. The minister has accepted full responsibility for their defence, and he has indicated there will not be an investigation. For that reason, Mr. Chairman, I will move that vote 801 be reduced by the sum of $17,999, being an amount equivalent to the minister's salary less the sum of $1.

Mr. Bullbrook: The minister is smiling.

Mr. Singer: Is he going to answer?

Mr. Bullbrook: Yes, let's have an answer.

Mr. R. S. Smith: Let's have a $200,000 answer.

Mr. R. F. Nixon moves that vote 801 be reduced by the sum of $17,999, being an amount equivalent to the minister's salary, less the sum of $1.

Mr. Chairman: Is there any further discussion on this motion?

Mr. Singer: Yes, there might be.

Hon. Mr. Irvine: Mr. Chairman, the hon. Leader of the Opposition has again demonstrated the great knack of being able to be on both sides of the fence at the same time.

Mr. Bullbrook: That has nothing to do with it.

Hon. Mr. Irvine: I have heard him state in this House many times that the land speculation tax was absolutely no good, that it was not in the best interests of the people.

Mr. Singer: He didn't say that at all. He never said that at all.

Hon. Mr. Irvine: At all times he has said that the land speculation tax would not work. It has worked.

Mr. Bullbrook: What's that got to do with this?

Hon. Mr. Irvine: If he would remember—and I hope he has a copy of the press release—I said we were purchasing land to cool out speculation, and we did so.

Mr. Singer: Six hundred thousand dollars a deal. That's cool!

Interjections by hon. members.

Hon. Mr. Irvine: I am telling you this—

Interjections by hon. members.

Mr. Chairman: The hon. minister has the floor.

Hon. Mr. Irvine: It is very impressive to see the Leader of the Opposition inform the members of the House, with all his knowledge, that the lands were zoned for agricultural purposes. But he doesn't say what they are being used for.

Mr. Bullbrook: Let's talk about the values. Come on.

Hon. Mr. Irvine: You weren't fair enough to the members of the House to state actual use, were you? You didn't say that the lands were not being used for agricultural purposes. You didn't state what the present use was.

Mr. Singer: Did it change six weeks ago?

Hon. Mr. Irvine: Now, I am saying to you the reason we purchased the lands is to make sure that the lands remain in agricultural development as long as the people in the municipalities declare that to be in their best interest; as long as the government of Ontario declares that to be in the best interest of the people of Ontario. We have purchased those lands and we are proud of it.

Mr. Singer: You are proud of it?

Hon.Mr. Irvine: We are proud of it. We have cooled out speculation in this area and other areas. The Leader of the Opposition

just doesn't want to admit that the government of Ontario has finally stopped speculation.

Mr. R. F. Nixon: We don't want you to waste our money.

Hon. Mr. Irvine: And we are going to make sure that the lands that were questioned today are used for agricultural purposes. The Minister of Agriculture and Food (Mr. Stewart) and myself have been talking about this development for many days.

Mr. Singer: The Planning Act put a freeze order on it.

Mr. R. S. Smith: It is already zoned agricultural.

Hon. Mr. Irvine: We are going to make sure that speculators do not gain control of lands such as this in the future. I think the people of Ontario are very, very proud of the fact that they have a government that will protect the lands to be used for agriculture, if needed; or for housing when needed.

Mr. Roy: And you are going to buy that at any price.

Hon. Mr. Irvine: The Leader of the Opposition has said I am the one responsible, and certainly I am. I will accept full responsibility for the Ministry of Housing, and I will be delighted to answer all the questions. I am not one bit ashamed of the acquisition. I think it was most necessary to take the speculators out of that area.

Mr. R. F. Nixon: It took them out, all right.

Mr. Singer: They laughed all the way to the bank.

Hon. Mr. Irvine: If we find out again that we have speculation in Brant county, we will do the same thing. We are going to make sure that the people understand this is for landbanking purposes, to retain the land for agricultural purposes, to develop the land when we feel it is necessary.

Mr. Bullbrook: I bet the speculators cried all the way to the bank.

Hon. Mr. Irvine: Mr. Chairman, I will conclude with those remarks for now.

Mr. Singer: Mr. Chairman, I am fascinated by the performance just put on by the minister.

Hon. Mr. Irvine: I am delighted.

Mr. Singer: He has missed the whole point of what my leader said and what other members of our party said, and what several members of the NDP said about prices. To stand up and say he is proud to have acquired land —do you mean that you are proud you paid these prices in light of the records that we have exhibited to you? Is that what you are proud of? Are you proud that these prices were paid? Now, I was very fascinated by the residual value idea that you dredged out from somewhere, compared with the appraised value. Now could you tell us, before this debate goes on much longer, what the appraised value in the OHC record shows for 83.44 acres of land that was acquired from Bonnydon—which is the sale referred to earlier by my leader—the one that took place on March 6, 1974? What was the appraised value? Could you tell me that?

Hon. Mr. Irvine: I haven't got it with me, Mr. Chairman.

Mr. Singer: No, I am sure you haven't.

Hon. Mr. Irvine: But let me assure the hon. member that we had appraisals, and if you wish to have them we will surely bring them forth.

Mr. Singer: I certainly do, we certainly do —now.

Hon. Mr. Irvine: But let me also assure the hon. member that I didn't miss any point brought out, because there was no point brought out.

Mr. Singer: I propose, Mr. Chairman, to ask the minister for the appraised values of each of these seven sales referred to by my leader. I presume you haven't got the appraised values for the other six? Is that right?

Hon. Mr. Irvine: I will check into it.

Mr. Singer: Mr. Chairman, since this debate is a very important one and since these facts are very material to the debate, I am now going to move that the committee rise for a period of 20 minutes or half an hour, or however long it will take the minister to get the appraised values, because I think they are vital to the carrying on of this debate.

Mr. Singer moves the committee rise and report.

Hon. Mr. Irvine: Mr. Chairman, I don't know whether you are waiting for—

Mr. Singer: It is not debatable, Mr. Chairman. It is a motion; it is not debatable.

Hon. Mr. Irvine: I was just going to say, Mr. Chairman, I felt in the best interest of the House we could continue with the debate while I can get the information.

Mr. Singer: No.

Hon. Mr. Irvine: And while I am getting the information I don't see any reason to have a 20-minute adjournment.

Mr. Singer: Get us the information now then. How long will it take?

Hon. Mr. Irvine: Mr. Chairman, we will obtain the information as quickly as possible. I'm not going to say whether it's five minutes, 10 minutes or half an hour—but, in any event, I'll obtain it.

Mr. Singer: Mr. Chairman, it's a motion to adjourn and it's not debatable. I would ask the chairman to put the motion please.

The committee divided on Mr. Singer's motion that the committee rise and report, which was negatived on the following vote:

Clerk of the House: Mr. Chairman, the "ayes" are 28, the "nays" 52.

Mr. Chairman: I declare the motion lost.

The hon. member for Downsview.

Mr. Singer: Mr. Chairman, I moved the motion in order to give the minister an apportunity to get us certain information about appraisals. I would hope the minister has that information. Does he have it now?

Hon. Mr. Irvine: Mr. Chairman. I greatly appreciate the courtesy of the hon. member for Downsview. It is marvellous to think that we can proceed with such fast action in this government, but I really I can't do it in a matter of a few minutes. I will have the information you want, and I'll present it when I am ready to present it as a formal statement to the House. But I can't do it at this time.

Mr. Singer: Mr. Chairman, if I may continue, one of the reasons why I'm going to support my leader's motion about reducing the estimate by the sum of $17,999 is that this minister comes into the House unprepared. He had to be prepared and he should have been prepared. In all he does, he has a parliamentary duty, a political duty and a responsibility as a cabinet minister to come prepared to answer questions. Certainly one would think that it should be a matter of very simple procedure to get departmental estimates in so far as they relate to recent acquisitions of property by the government.

It could be the simplest thing. Without that information being here let me say this, I was listening carefully to the exchange between the minister and the hon. member for Wentworth and I was fascinated by the use of "residual value" and also the use of "appraised value." The residual value, I suggest to you, is a complete and utter phoney.

I would imagine that Ontario Housing Corp. and the Ministry of Housing should have available to it as expert evaluators as there are in the Province of Ontario. Surely there should be no shortage of money available for the hiring or retaining of evaluators who can give you realistic value. And when you go and look at a piece of property, then you should be armed with—I'm using the collective you—your people should be armed with as good an appraisal as is available, as good an appraisal as money can buy in the Province of Ontario. If you do anything less than that, then you are not serving the public interests.

In your exchange with the member for Wentworth, where you admitted that you bought property for 2½ times its appraised value, I must ask you how you can possibly justify this? Do you have so little faith in your own appraisals that you won't stick with those prices? Or do you get cowed by these speculators?

Mr. R. F. Nixon: Buying out the speculators.

Mr. Singer: Yes, you are buying out the speculators. The one way to get rid of them is to buy them out.

An hon. member: That's your own statement.

An hon. member: Right.

Mr. Singer: One must presume, since you are not able to produce the evaluation reports in relation to these seven items my leader dealt with earlier this afternoon, that the actual appraised values must be something much closer—they have to be much closer—to the values that were paid at the time Bonnydon and these other companies bought the land. Some of us here have had a little experience in expropriations, and some of us here have had a little experience in dealing with evaluators. And some of us have had a little experience in going before the court and we know what the courts look

for. The best guide for an appraised value which the courts will accept is evidence of recent sales.

An hon. member: Right.

Mr. Singer: When you deal with item No. 5, the one I referred to on this list of ours earlier this afternoon, and you can see—no, I'm sorry, item No. 4—where New Star Investments sold to Cedar Heights on Feb. 8, 1974, for $379,000; could there be any better evidence of value than a sale that took place six weeks before the sale to the government of Ontario, or to Ontario Housing? There couldn't be. That's why it is so crucial that the minister justify paying $200,000 more in a six-week period.

There is no way I know that any realistic evaluation of property could be made without taking into consideration the last sale. You have the last recent sale six weeks before and there it is. How do you justify a purchase price of $579,000 six weeks after a sale of $379,000? That's the $64 question, and that's the thing that you've been able to be able to answer, because there's nothing you've been able to tell us that indicates anything other than that you have been wasting the money of the people of Ontario. We want to know why, and we want to know how; and we are entitled to know why, and we are entitled to know how. We are entitled to know the basis on which you made your judgements. You've got to be able to stand in your place—whether you did it or your predecessors did it—really doesn't matter, you are the responsible minister today—and be responsible for that kind of unusual procedure, which seems entirely unjustified on the basis of the evidence we have and on the basis of the answers you've been able to give us.

All of these things happened, apparently, by coincidence. Suddenly it occurred to Bonnydon and Cedar Heights and Loring that they should get into that land market and buy at grossly inflated prices some 2,300 acres of land in the Milton area. As far as we have been able to figure out, that land fronts on the lower baseline and backs onto the 10th sideroad. There is a square or an oblong piece of property in there; perhaps there are 2,300 acres, my measurements aren't that exact. I understand as well that you have skipped some of the pieces within that block, and that you didn't buy them all. I wonder about the expropriation power that you have, which really brings this thing down to its nub.

If your appraised value is an honest one and one in which you believe—and it has to be because you are acting in the public trust—and if the asking price of the owner is way above the appraised value, then why don't you use your expropriation power? Isn't that the logical answer? If you have a good appraisal and if you have faith in it, then you shouldn't be afraid to take it before the courts. You shouldn't be held up by speculators and you shouldn't invent that new system you have, that the way to get rid of speculators is to buy them out; because that really is just throwing away the money of the people of the Province of Ontario.

If your evaluation means a single thing, then it should mean that you have sufficient faith in it either to stick to it or to test it in the courts by reasonable expropriation procedures. That is the $64 question, and we want the $64 answer or the $1 million answer on those seven properties that we have talked about.

Hon. Mr. Irvine: Mr. Chairman, I think the hon. member for Downsview has confirmed exactly what his leader said, that the government of Ontario took the right action when it brought forth the land speculation tax.

Mrs. M. Campbell (St. George): Oh, no.

Mr. J. R. Breithaupt (Kitchener): That has nothing to do with it.

Mr. H. Worton (Wellington South): They have not paid it.

Interjections by hon. members.

Hon. Mr. Irvine: We have said in this House just a few minutes ago that the reason was to curtail the escalation of land prices in this area, which we have done. We have stabilized the prices in the overall area.

Mr. Breithaupt: Why did you pay twice the value then?

Hon. Mr. Irvine: It's all right for the member for Downsview to stand up and speak in hindsight.

Mr. R. S. Smith: Some stabilization!

Hon. Mr. Irvine: You are a great man for that. But let me ask you this—

Mr. Worton: Where was the foresight when they passed that tax Act?

Mr. Lawlor: Where was the foresight?

Hon. Mr. Irvine: Where was there property in Toronto or any other place in an urban development area that wasn't escalating at that particular time? The property was going up and it was going up very rapidly.

Interjections by hon. members.

Mr. Breithaupt: In 32 days?

Hon. Mr. Irvine: You have the nerve to stand up in this House and say there wasn't any escalation. There was escalation and this is the reason we took such action as we did.

Mr. Singer: In 32 days, three months; say even five months.

Hon. Mr. Irvine: We'll bring forth, I expect, in due course, an opinion which will show that we paid a proper price for the lands.

Mr. Bullbrook: Due course is no good.

Mr. Breithaupt: You don't want the opinion. What use is the opinion once it is passed?

Hon. Mr. Irvine: I think you and your leader have to make your minds up once and for all that you are on the side of the government in regard to land speculation tax. You are on the side of the government to try to stabilize land prices; and if you are we'd appreciate you for it.

Mr. Roy: Answer the question.

Mr. Bullbrook: Answer the question.

Mr. G. Nixon (Dovercourt): Right on.

Mr. Chairman: Order. The member for Cochrane South has the floor.

Mr. W. Ferrier (Cochrane South): I wanted to get in on another matter, Mr. Chairman.

Mr. Chairman: What was that? Just a minute please, until I find out what he wants. What item do you want to speak on?

Mr. Ferrier: I want to speak on the first vote on a policy matter.

Mr. Chairman: Item 1?

Mr. Ferrier: Yes.

Hon. Mr. Irvine: That will be great. I don't think we have been on that yet.

Mr. Chairman: To my knowledge item 1 has not been carried yet.

Mr. Roy: The minister would like to get off that matter, wouldn't he?

Mr. Ferrier: If I could speak on that matter, then you can get back to your other debate afterwards. I have been concerned about—

Mr. Bullbrook: On a point of order, we are on a motion by the Leader of the Opposition to reduce the vote. I think really the member should consider that we would like to carry on with this particular debate as it relates to the motion, because the whole thrust of the leader's motion is the inability of the government to respond to this.

Mr. Ferrier: In other words, we are to be silenced because of this motion.

Mr. Bullbrook: No, not at all.

Interjections by hon. members.

Mr. Bullbrook: There always has been some understanding.

Interjections by hon. members.

An hon. member: You can talk about what you like.

Mr. Chairman: I understood when I took over that we would deal with the vote item by item. Item 4 is the minister's salary, and we certainly haven't reached that. Do you want to carry over all items previous to item 4? Then we'll deal with item 4 at this time and the motion.

Mr. Bullbrook: We are not carrying item item 4.

Interjections by hon. members.

Mr. Chairman: Then we'll deal with it item by item. Item 1, the member for Cochrane South.

Mr. Bullbrook: Mr. Chairman, we have a motion on the floor and if we change the subject, of course, then we may as well be realistic about it, you completely extricate the minister from the problems he has in this particular debate.

Now that's your right. I don't mean to fetter that right, that's not my purpose; but we want to talk about this.

Mr. Chairman: You are out of order, as far as that item is concerned, until we get to item 4, the minister's salary. We have to deal with other items first.

Mr. Roy: The motion was accepted by your predecessor.

Mr. Bullbrook: The motion has been put by the Chair.

Mr. Chairman: Do you want to challenge the chairman's ruling?

Mr. Bullbrook: No. Why do you provoke a challenge? We don't want to provoke a challenge. The motion has been put.

Mr. Chairman: If you want to put the motion and deal with the motion, all items previous to the motion that you were dealing with on item 4 will be carried.

Mr. Roy: That's not what your predecessor said.

Mr. Singer: Mr. Chairman, on a point of order, the motion does not relate to item 4. It relates to vote 801; it is that the total amount asked for in vote 801 be reduced by the sum of $17,999. It doesn't relate to item 4.

Mr. Chairman: I would like to remind the member for Downsview that when he was on the floor previous to this he referred to the minister's salary as item 4.

Mr. B. Newman (Windsor-Walkerville): There is no item 4.

Mr. Singer: Mr. Chairman, let me try and explain it to you. First, we can't deal with the minister's salary because the minister's salary is statutory. There is no way that we can put a motion to cover that area. The motion moved by my leader, if you would read it, is to reduce the amount asked for in vote 801—the whole thing; items 1, 2, 3, 4; altogether—from the sum asked for, which is $1,808,000, by the sum of $17,999. It relates to the whole vote and not just to item 4. We can't deal with item 4 because it is statutory. In fact, it isn't even item 4; it's item S. There is no item 4 here at all.

Mr. Chairman: I know there is no item 4. I was referring to the same language that you used. But if you deal with the motion at the present time, you deal with the whole vote.

Mr. Singer: No, it is the first vote. The member for Lakeshore wants to speak to it. My colleague from Sarnia wants to speak to it.

Mr. Chairman: The member for Cochrane South would like to speak on item 1.

Mr. Lawlor: I want to speak on item 1.

Mr. Ferrier: I want to ask the minister what action he has taken as far as policy is concerned on the recommendation of the advisory task force on housing policy in terms of housing and housekeeping assistance for handicapped persons.

A number of these people, who are on provincial pensions, are older people, and they are not able to get into the regular Ontario housing units. Your predecessor had sent me a note saying that your ministry was considering this need and this problem and in due course would probably be making a policy decision.

Now this need is a very real and pressing one, with a number of people in every riding across the province trying to get some kind of adequate housing. They may be single people or they may be couples, but as things are structured now, very few of the housing authorities will provide units for these people. I think you have probably recognized the need, and I wonder if you have dealt with this and have come up with a policy or what you propose to do with it.

Hon. Mr. Irvine: Mr. Chairman, the Ministry of Housing has, through the non-profit and community-sponsored housing programme, adopted a programme which we feel will meet the needs of such special groups as the hon. member has brought to our attention. In this regard, though, I must say to the member that we do need the acceptance of the communities to integrate housing and to look after the needs of handicapped people.

We have made modifications to our existing rent-geared-to-income units for selective people, such as the physically handicapped he mentioned, and we look forward to developing this programme further in the future. Our staff are working with those who are working on behalf of the people in their communities in non-profit organizations, and I hope to see further progress made during the year.

The matter of looking after the physically handicapped is one which we're well aware of and one which we are taking action on. In our opinion, it's the non-profit housing organizations that can look after this. We would like to have, if we could, some specific proposal, but we haven't got one as yet. If you have one I would be pleased to have it.

Mr. Ferrier: I'm just wondering about those who are not physically disabled and in wheelchairs, who can get around but have very poor health. Are you making any allowances for them to get into the present senior-citizen accommodations? Are you planning to extend the terms of reference for people

to get in? How are you going to try to help this group? There seems to be a pretty pressing social need for that particular group.

Hon. Mr. Irvine: This is a matter which is under group homes in our ministry. We have studied this also. We have group homes operated by the Ministry of Community and Social Services. At our PMLC meetings which we have monthly, we've discussed this matter through the Treasurer and Minister of Intergovernmental Affairs (Mr. White).

But there still is, as I mentioned before, some municipal resistance to this concept and we're trying to overcome that. We want to have these people looked after as much as we can. At the present time—and I'm not saying that we're entirely satisfied with the programme by any means—we have made some headway and we expect to make more.

Mr. Chairman: Item 1 carried? Carried.

Mr. Bullbrook: Mr. Chairman?

Mr. Chairman: The hon. member for Sarnia.

Mr. Bullbrook: Mr. Chairman, I'd like to return, if I may, more directly to the material that was the basis of the motion that is before the committee. I want to say, if I can, first through the chairman to the minister, that I'm not interested in—

Mr. Chairman: Just a minute before you speak. Are you talking on the resolution of the hon. member for Brant?

Mr. Bullbrook: Yes, I'm talking on the original material.

Mr. Chairman: I want it understood that when I put the motion for the resolution of Mr. R. F. Nixon that vote 801 will be carried.

Mr. Singer: Or defeated.

Mr. Chairman: Or defeated, whichever way the House decides. Does any other member wish to speak on item 2?

Some hon. members: No.

Mr. Chairman: As long as you understand.

Mr. Bullbrook: I understand, but anybody here can speak as long as they want to in connection with vote 801.

Mr. Chairman: That's right.

Mr. Bullbrook: We all understand that. And they can relate to any subject they want to. I wasn't attempting to fetter, again, the hon. member for Cochrane South; hardly. That's not my responsibility nor my wish. But we were talking about this particular material and we will have enough hours, one would hope.

I want to begin by saying this, and I want to make absolutely clear: I'm not interested in a response to my questions or comments that relates to the Land Speculation Tax Act because that is a non sequitur indescribable. It has nothing to do with what my leader talked about; and don't try to besmirch the issue and confuse the thrust of our purpose here by bringing that in. It has nothing to do with it.

We have an obligation here, and I want to say this, and I wish the Premier would listen to this. I really am interested in it because I think it's a very vital aspect of what we do. We have a responsibility in the opposition to vote, as do the government members, as to the appropriations to carry out the responsibilities of this ministry. I want to say in the past it's always been the system that the ministers come with their officials; and I want to say, Mr. Chairman, to the Premier and his cabinet colleagues, they've always in the past been able to answer us, or they've got the information. That was the cut and thrust of debate and that's where our responsibility is.

But a new scheme is coming about. It started with the Provincial Secretariat for Social Development. It started there when questions were asked and no answers were given. An undertaking was given at that time to respond in one fell swoop, which I think cuts down the spontaneity of debate and really the purpose that we undertake. That happened.

In Industry and Tourism I put three questions to the minister over a period of an hour and half one evening. We were told by the chairman that evening that there was general agreement by all that the period would be elasticized beyond 10:30 so that the minister would give answers to those questions. Again, no response.

And today again we have this. We now have the minister saying, and he has said to my leader: "I'll get a statement out for you." I say this to you most respectfully, through the chairman: I have great admiration for you personally, but that's the sign of a weak minister who cannot handle his responsibilities, when he must go back over the evening hours and have his officials write out for him a statement to respond.

I think we are entitled to have the replies of the minister through his officials now. We

are entitled to be able to say: "All right, how did you come to the conclusion, through your appraisals, that these values were worth paying public funds for?" We are entitled to that, and we are entitled to it now, before we vote on the leader's motion, and every member in the House, including those on the government side, is entitled to that.

I would hope that the minister would undertake that responsibility to us and get that information. Sure, this is political babble—we understand it is—but it is a little more important than that to us at the present time.

I want to say something to you, if I may, because I think the response at times bordered on being ludicrous. One of the statements mentioned by the minister, alluded to by other speakers, is that the way you get speculators out is to buy them out. I want to point out to you how that particular statement has absolutely no foundation in fact.

I want to ask the minister: Are you familiar with the provisions of the Income Tax Act of Canada as it relates to developers? The very thing they must do when they sell land is rebuild their inventory—they have to —to take advantage of the depreciation available to them in connection with their capital. So what happens when you deal with speculators—I know, I act for them—and when you deal with developers—I know, I act for them —is that they immediately go out and they buy other land.

That puts the lie to your proposition that the way to get rid of speculators is to buy them out; because what the Freedmans have to do is get out and buy some more land somewhere else in the Province of Ontario and that has the very effect that you don't want to have.

I was very proud of this, Mr. Chairman, to the minister. My leader in his statement said this: "We're not interested in the Freedmans; we're not interested in whether they have any internal knowledge ahead of time; whether they were clairvoyant Freedmans and went in there in a happy circumstance and got there first." I, for one, know no evidence to the contrary. I don't. And my leader, I would think, made that amply clear for this purpose—again, we don't want to be deflected—maybe they did have inside knowledge, but we are not going to deal with that, because we are not passing the estimates of Mr. and Mrs. Freedman today; we are passing the estimates of the Ontario Housing Corp. and we want to know why you paid that.

That's the thrust of our questioning—why you paid it—because it really causes me some concern, when you get down to the actual negotiation with these people. You know, as a matter of fact—the officials must know as a matter of fact—that in relation to parcel 4 that they bought on Feb. 8, 1974, they paid $379,000—plus. You have to know that. You have to know also that the ultimate responsibility for land use and the control of land use in this province lies in the very minister who supervises the Ontario Housing Corp.

You can't again deflect the issue by saying that the Leader of the Opposition doesn't know anything about the zoning; because the fact of the matter is the government controls zoning and the government can control zoning. If you want that land to remain in agricultural use, the Freedmans can never do anything else with it—if you want it left in agricultural use—and when you are sitting down with them negotiating that fact, don't think they don't know it. This is the type of thing we are interested in.

Again, let's forget about any inside knowledge on the part of the Freedmans; let's find out what the Ontario Housing Corp. did. When they sat down with the Freedmans they had to have an appraisal. My colleague from Downsview, who deals, as I do, many times in his professional conduct, with respect to matters of this nature, will tell you that one of the cornerstones in arriving at market value of comparable sales—and I want to tell you that one of the cornerstones of comparable sales—is the very sale of the property itself. I just don't know how any appraiser worth the name could possibly go before, for example, Mr. Yoerger, chairman of the Land Compensation Board, and rationalize to the satisfaction of that board an appreciation in value over a six-week period of over $200,000 or 53 per cent of the value. Again, you can't resist saying, "Is the member for Downsview saying that prices didn't go up at that time?" That begs the question; we all know that prices went up, but no prices would go up in that fashion were the government doing its job in spending public funds under the trust of the government.

That is all we are asking for. We just want to know how it came about. It might well be you can come forward to us today and say that during that six-week period there were improvements placed upon that property by the Freedmans, your appraisers took into consideration those improvements, and that is why the appraisal is higher. If you could do that, do you know what I

think we would do? I think my leader would withdraw the motion. Sure he would.

But just give us the information. No statements afterward, just the information now. You are the one responsible for it; you accepted that responsibility. We want to partake in that responsibility.

Mr. Chairman: Does the minister wish to reply?

Hon. Mr. Irvine: Mr. Chairman, I would like to clarify for the members' own good that when I said I would obtain the information I wasn't referring to getting the information next year.

Mr. Bullbrook: Right now.

Hon. Mr. Irvine: I can't get it right now.

Mr. Bullbrook: Why? Other ministers can do it.

Hon. Mr. Irvine: If the hon. member was here last night, and I am not sure he was, I was asked to provide information which related to 1967, 1968, 1969, and I am supposed to have all that in my head.

Mr. Roy: Yes, but today is 1973-1974.

Hon. Mr. Irvine: No way. I will tell you this much—

Mr. Bullbrook: No, you are not supposed to have it in your head, Mr. Minister.

Mr. R. S. Smith: Mr. Chairman, on a point of order, he was not asked last night to provide that information last night whatsoever.

Hon. Mr. Irvine: Oh, yes I was.

Mr. R. S. Smith: You were not.

Mr. Bullbrook: I am sorry, I want the member for Lakeshore to get on, but again beclouding the issue, nobody expects you or any other minister of the Crown to carry this information in his head, but they come in with estimate books and officials who have information available.

Mr. Singer: Three rows thick.

Mr. Bullbrook: Aside from that, it requires no mental giant to recognize that the leader asked a question of you in question period. One would have thought with alacrity of mind you would have said, "He might bring that up again."

Mr. Breithaupt: That was three hours ago.

Hon. Mr. Irvine: Mr. Chairman, if I can proceed now. Are you all through or would you like another outburst?

Mr. Bullbrook. No, no, I don't want the outburst, I just don't want to be misread.

Hon. Mr. Irvine: Well, I don't want to be misquoted either.

Mr. Bullbrook: I never said I expected you to carry it around in your head.

Hon. Mr. Irvine: I don't want to be misquoted either. I didn't say the Leader of the Opposition didn't know that the land was zoned agricultural. I said he knew it was zoned agricultural but he didn't know the purpose it was being used for. That's what I said. The purpose is more important, I believe. I am well aware that this ministry is the one that controls the land use; I am well aware of that. I am well aware that we are also the ones responsible for the purchases. I will provide you the reasons why, but I can't do it in five minutes.

Mr. Roy: You have had three hours.

Hon. Mr. Irvine: And we are not going to expropriate it, if that's what you think.

Mr. Singer: Why not?

Mr. Bullbrook: I didn't say so.

Mr. Good: Do you really need it?

Mr. Roy: Can I speak on this?

Mr. Chairman: Okay, the member for Ottawa East.

Mr. Roy. Mr. Chairman, I would just like to comment on the points raised by my leader in relation to these latest transactions. I would like to emphasize to the minister that since I have been observing him last night he has continually twisted words.

We can understand that you cannot get estimates or get us figures for 1967 and 1968 sales just like that, but you are dealing here with sales of 1973-1974. Surely with about 50 officials sitting around under the galleries you should be able to provide this information in a period of three hours. You have no meaning. His own Expropriations happened before, that we are being put off. We want answers now. We are only talking about six or seven different transactions here and it should be simple enough.

The point I want to raise with the minister, Mr. Chairman, is his famous words here about land residual value as a criterion for assessing property. I want to say to the min-

ister that if you look at any expropriation Act, whether you are talking about the federal Expropriation Act or the provincial Expropriations Act, that words of this nature have no meaning. His own Expriopriations Act, which has been passed by this House uses the standard criteria of actual value or market value when you're looking at comparable sales. I cannot understand, as the members have repeated here before, why he does not rely on that as a criterion.

First of all, you've never said, in any of these transactions, whether you were talking about the point raised by the member for Grey-Bruce or the member for Nipissing on these transactions, that the owner of these properties had refused a lower price. The minister does not tell us about the negotiations. If he were to come into this House and present to us at least the minutes of these meetings and of the negotiations that went on, and if he could prove to us through tough bargaining that the government got it at that price, that would be one thing.

But it appears obvious that on each of these occasions the vendor was getting an offer he could not refuse from the ministry as a purchaser, at these particular prices. How can he possibly use taxpayers' money as freely and say that he's relying on land residual value? He really is a patsy on behalf of the people of this province and the taxpayers.

All a fellow has to do is buy a piece of property, run over to the government and say: "Look, I've got a piece of property here. I've paid $1,500 per acre but the land residuel value of the property is probably $7,000 per acre, because in the year I think this property might be the best property. There might be a city some place around here."

The minister is so inconsistent.

I can recall talking with the Treasurer and he could not understand that. Suppose he were to tell the farmers when he passed his bill on planning and development in Ontario, if at that point he decided to rezone land in the green belt: "That land will be used for farming purposes." At no time did he compensate them. Yet he turns around and comes into a situation like this, with no evidence whatsoever that he bargained with them or that they refused a lower offer or anything of this nature. He comes along and says: "We bought it at the best price possible because the land residual value was so much per acre." That's phoney. That borders on negligence on his part to use taxpayers' money as freely as this.

If the bargaining was that tough that you could not get the land cheaper, why did you not expropriate it? The minister has done that before. Why did you not proceed under the planning and development legislation in Ontario and change the zoning on it, if you wanted to keep it.

Mr. Singer: Freeze it.

Mr. Roy. Yes, he could have frozen it, but no. He's got the gall to tell us about the land speculation tax. My God, by the looks of things, the land speculation tax should have been brought in ahead of this, if he was going to be taken like this. At least, he should have put some money back in the coffers of the province. For any one who has dealt with land properties and land values and has appeared before every court and every board of this province, or before the federal court of Canada, at no time is there any other criteria. If the minister were to argue that land residual value has any meaning, he would be laughed out of court. Yet he is spending millions of dollars on behalf of the taxpayers of this province.

The minister should consider seriously the approach taken by Ontario Housing Corp. in these things. How he can sit there and smile and have a flippant attitude with some of our questions on this is beyond me. One would think he would be more responsible.

Hon. Mr. Irvine: I have to have a good sense of humour.

Mr. Roy: He could have been a more responsible minister. He could at least have said: "Look, it's happened in the past. I wasn't the minister then. Maybe we can remedy it in the future. We won't do that again." But, with enthusiasm, he is defending that position. How he can possibly do that is beyond me.

Hon. Mr. Irvine: Mr. Chairman, to the member for Ottawa East, let me make it very clear that I am defending the positions taken in the past. What I do in the future will be my decisions and we'll try to make sure they are the best decisions possible. The member has not said anything more than what we've discussed for the last hour or two. I see no reason for me to repeat what I have said and, therefore, there is no further comment.

Mr. Roy: Give us some answers and give us some minutes.

Hon. Mr. Irvine: I'm telling the member right now that what we have done is to stabilize the prices. He was talking about re-

sidual values a way back in 1968 and 1969, first of all, in Oakville north, I thought.

Mr. R. F. Nixon: Mr. Chairman, just before we leave this point, the minister has just said—he's used the classic argument—"From now on, I'll be responsible. Up until this point, somebody else is."

Hon. Mr. Irvine: No, I said I'd be responsible.

Mr. R. F. Nixon: Oh, yes, you are accepting the responsibility, but essentially it is a special kind of responsibility—not a personal one but a ministerial one.

Hon. Mr. Irvine: No, it is personal.

Mr. R. F. Nixon: These transactions that I brought to your attention are in 1973 and 1974. They are not in the dim and distant history; they are decisions made by the officials that are presently advising you. Now, presumably the chairman of Ontario Housing and people from Ontario Housing are here, and I don't see why we are doing these estimates this way unless they do not have all of the facts and figures pertaining to any question that should be asked right here, to bring in to you.

Evidently they either haven't got them for you or you want it all pieced out so that you can have a formal defence—except for this thing: Does it not concern you that Ontario Housing has been subject to this kind of criticism—investigation by the Attorney General of many of the people charged because of the acceptance of these gifts, and the refusal of you, as minister, or the Attorney General to say whence these gifts came?

Now, we look at the business procedures that I've outlined here and we are not in a position to make any allegation or even an innuendo. The only persons who are culpable of bad decisions are those people in Ontario Housing. You say you are not responsible. Who the devil is responsible, if it isn't you?

If you are responsible you should order an impartial investigation into how they do business. See that the minutes are made public, and clean this thing up. If it is less than that, it will not be acceptable. That's why we are attempting to reduce your salary to $1.

Sure, you can't be personally responsible for what your seatmate did a few months ago, or what the Attorney General as Minister of Housing did a few months ago, but you are the man on the spot now and it is up to you, my friend, to see that it is cleaned up, and to see that the taxpayers are confident that their moneys are properly being administered and that they are not being given away to people with unconscionable, speculative profits.

Hon. Mr. Irvine: Mr. Chairman, I said very clearly I was not sidestepping my responsibility. I am responsible—

Mr. Roy: Well, act responsible, then.

Hon. Mr. Irvine: —and I will be responsible for what happened in the past and what happens in the future. I've said that many times. I don't know how often I have to say it to the Leader of the Opposition so that he will understand it.

Mr. R. F. Nixon: On a point of order on your last comment when you were on your feet you said: "Of course, that was done before my time."

Mrs. Campbell: Exactly.

Hon. Mr. Irvine: Just don't quote me until you read Hansard. I don't think you know what I did say. You sit there but you are not listening half the time.

Mrs. Campbell: Do you know what you are saying?

Hon. Mr. Irvine: If you'd pay a little bit more attention to the proceedings you might know that what we are talking about should be in vote 4, not as it is now.

Mr. Ruston: You are beyond hope.

Mr. R. S. Smith: What is the answer? If you are responsible, where are the answers?

Mr. Chairman: Does anyone else wish to speak before I put the motion?

The committee divided on Mr. R. F. Nixon's motion that vote 801 be reduced by the sum of $17,999, being an amount equivalent to the minister's salary less the sum of $1, which was negatived on the following vote:

Clerk of the House: Mr. Chairman, the "ayes" are 25 the "nays" are 45.

Mr. Chairman: I declare the motion lost and vote 801 carried.

Vote 801 agreed to.

On Vote 802:

Mr. Chairman: Item 1? Carried.

Item 2? Carried.

Item 3? Carried.

Item 4?

Mrs. Campbell: Mr. Chairman—

Mr. Chairman: Item 3?

Mrs. Campbell: Item 1.

Mr. Chairman: Item 1.

An hon. member: Item 1?

Mr. Singer: A noble try.

Interjections by hon. members.

Mrs. Campbell: I can appreciate the eagerness of this government to try to get through these estimates without further discussion, but I feel that it is incumbent upon us to raise some of the questions that have to be raised in connection with this community planning programme.

Interjections by hon. members.

Mr. Chairman: Order, please.

Mrs. Campbell: This is the vote where we are talking about such matters as community renewal and the North Pickering project, and certainly so far as this caucus is concerned, we are very eager to have an up-to-date report on the North Pickering project. Here also we have what is known as plans administration.

We wonder just when you have changed your policy. We have just heard from this minister there was no way that he would countenance an expropriation of agricultural land, since I take it he wished to incorporate a new programme, which we now are prepared to call SAP, being the "speculators' assistance programme." We wonder just why we have a different point of view when we look at the properties of the people in North Pickering. We would like to know what has happened to this particular proposal at this point in time. And what can the minister report on the amount available in the community renewal portion, which again does not seem to be jelling too well. Thank you, Mr. Chairman.

Mr. Roy: Do you want a couple of days?

Mr. Chairman: Does Item 1 carry?

Mrs. Campbell: Oh aren't we to get answers to any of those questions?

Mr. Chairman: Most of the questions you have asked the minister come under items 2, 3 and 4.

Mrs. Campbell: It's under administration, Mr. Chairman. Could we just get an answer?

Mr. Chairman: It's up to the minister if he wishes to answer, but actually you have covered the whole field of vote 802.

Mrs. Campbell: Yes, I think it is important that we do.

Mr. Chairman: Now, is it the wish of the members that they handle the whole of vote 802 in one programme? Is that suitable to the minister?

Hon. Mr. Irvine: I beg your pardon?

Mr. Chairman: Is it suitable that we handle vote 802 as one vote, rather than item by item?

Hon. Mr. Irvine: Yes, that's okay.

Mr. Chairman: Okay.

Hon. Mr. Irvine: At least we are on one particular vote, Mr. Chairman, which is a change.

As far as North Pickering is concerned, we have stated before that we have expropriated a certain acreage, of which I think the member is well aware. We have a greenbelt area there. We have had many serious discussions with the people in the area. We have had a North Pickering project staff in action for many months. From the first instance of the land being acquired by the government, everyone has been fully informed in the area as to what the government's plans were. The only part that has caused some serious implications, as far as we are concerned, is whether or not the federal government will proceed with the airport.

We had indications the other day a decision has been made, but I only know that by reading the newspapers. I have discussed this with one of your colleagues. So, therefore, we can't say the matter has been finalized, but what we are trying to do now is to d termine what this government will do with the lands we have acquired in regard to development.

It is our expectation that during this session of the Legislature we will have a development corporation which will be responsible for a plan of development of the lands, in co-operation with the area municipalities and the regions concerned.

This matter has been discussed only recently with the region of Durham and the regional council was in full attendance.

We have certainly sent out many proposals—and they are only proposals—in re-

gard to what North Pickering will be. I wish to hold a particular brochure up for your attention. I think the members may be well aware of the "North Pickering Project, New Community."

What we are trying to do is to make sure—and we have sent this information out to each person in the area—that they are well aware that we wish to have their views in regard to how this particular land will be developed. They are only proposals. They will be much more fully discussed in the future.

We hope that with the decision now reached that we will have the central York servicing scheme started in the near future—that we will be able to have services in place somewhere around 1977, or before if possible. But as to the size of the community and how it will be developed, this has not been decided. This will be decided—an undertaking has been given—when we have had the opportunity to discuss, through our staff with the appointed people of the area and through this government with the elected people of this area, so that we have everyone involved in regard to the final application of our plan.

Now the plan will not go ahead until we have reached a consensus. I don't suppose we will achieve 100 per cent approval of any plan in that area. But I think it's recognized by all concerned that we have tried and we have done, in my opinion, an excellent job in communicating with the people of that area to try and resolve their problems and make sure they are well aware that their rights will be protected.

The hon. member may have other questions. I would like to hear from her if she has other questions regarding North Pickering.

It being 6 o'clock, p.m. the House took recess.

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Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Ninth Legislature

Wednesday, November 13, 1974

Evening Session

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

THE QUEEN'S PRINTER
PARLIAMENT BUILDINGS, TORONTO
1974

10

Price per session, $10.00. Address, Clerk of the House, Parliament Bldgs., Toronto

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Daily index of proceedings appears at the back of this issue. Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff (Phone: 965-2159).

LEGISLATIVE ASSEMBLY OF ONTARIO

The House resumed at 8 o'clock, p.m.

ESTIMATES, MINISTRY OF HOUSING (continued)

On vote 802:

Mrs. M. Campbell (St. George): Mr. Chairman, I am not going to ask further questions. I had asked about the community renewal programme. I don't think the minister dealt with that question. I would like to have his reply to that.

Hon. D. R. Irvine (Minister of Housing): Mr. Chairman, the hon. member is absolutely right. I didn't have time to deal with the part of her question in regard to the Ontario Home Renewal Programme, which gives grants of $25,000 to those municipalities whose population is less than $10,000.

We have so far approved applications from nine municipalities for a total provincial grant of $2,001,519. The municipalities are Brantford, Cornwall, Niagara Falls, Windsor, Grimsby, Sarnia, Napanee, Hamilton and St. Catharines. Would the hon. member like the details as to how much has been allocated to each one?

Mrs. Campbell: No.

Hon. Mr. Irvine: I have that if you wish. In regard to what were formerly called urban renewal projects, we have approved a number of allocations to the following municipalities: Hamilton, Ottawa, Sault Ste. Marie, Sudbury, Toronto, Windsor, Cornwall, London, Niagara Falls, Thunder Bay, Kitchener, Timmins and Sudbury.

Under NIP—Neighbourhood Improvement Programme—we have Almonte, Arnprior, Brantford, Brockville, Cochrane, Cornwall, township of East Gwillimbury, borough of Etobicoke, town of Grimsby, city of Hamilton, town of Hearst, town of Hespeler, town of Ignace, city of Kingston, town of Lindsay, city of London, town of Midland, town of Napanee, city of Niagara Falls, city of Orillia, city of Oshawa, city of Ottawa, city of Port Colborne, town of Ridgetown, city of St. Catharines, township of Sandwich West, city of Sarnia, township of Sarnia, city of Sault Ste. Marie, Sudbury region, city of Thunder Bay, city of Timmins, city of Toronto, city of Vanier and city of Windsor.

The funds that have been allocated from the federal government total $17 million; the funds allocated provincially are $8.5 million; the funds that have to be allocated from the municipal government are the same, $8.5 million. We have a total funding for the Neighbourhood Improvement Programme of $34 million.

We think, Mr. Chairman, that this programme has been very well accepted and has certainly filled a gap which existed in the past few years. As you know, the Home Renewal Programme can be added to the NIP and RRAP programmes.

I don't know whether there are any other details which the hon. member wants at this particular time but I do have, as I say, the actual dollars for each particular municipality.

Mrs. Campbell: Mr. Chairman, I wonder if I could have the details in both of the categories for the city of Toronto.

Hon. Mr. Irvine: Yes, Mr. Chairman, under urban renewal we have, in the city of Toronto, Alexandra Park with a total amount approved of $14,804,758, the provincial share being $3,701,189. We have Don Mount Village, total amount approved $4,379,500, the provincial share being $1,094,875. We have Trefann Court, phase 1, total amount approved $2,082,207, the provincial share being $520,551. We have Trefann Court, phase 2, total amount approved $4,770,489, the provincial share being $1,192,622.

Then we go to the NIP programme. Toronto funds allocated by the federal government were $1,720,000, our share being $860,000 and the city's of course being the same, $860,000.

My staff informs me that the city hasn't applied yet for anything under the Ontario Home Renewal Programme.

Mr. J. P. Spence (Kent): Mr. Chairman, may I ask the minister if he could give me the amount allotted for the town of Ridgetown?

Hon. Mr. Irvine: Maybe I should, Mr. Chairman, give all the amounts, if you like. If there are other people interested, I would be quite happy to do so. Ridgetown in NIP is what the hon. member is asking for?

Mr. Spence: Yes.

Hon. Mr. Irvine: The total amount allocated by the federal government is $258,000, the provincial contribution being $129,000.

Mr. C. J. S. Apps (Kingston and the Islands): Mr. Chairman?

Mr. Chairman: The member for Cochrane South.

Mr. R. F. Nixon (Leader of the Opposition): How about Kingston and the Islands?

Mr. Apps: Mr. Chairman, I wonder if I might ask the minister how much money has actually been expended in the city of Kingston under the NIP programme; if any has yet been expended or whether this allocation has been taken up at all or not?

Hon. Mr. Irvine: Mr. Chairman, in the city of Kingston we have expended funds for the study to the extent of 2 per cent of the allocation. Once the study is available to us, then the amount that has been allocated will be given to the city.

Mr. Chairman: The hon. member for Cochrane South.

Mr. W. Ferrier (Cochrane South): I would like to ask the minister a couple of questions. Last spring, or fall there was a ministerial order putting a freeze on development in the Timmins area outside of some of the built-up areas. I think that freeze is still on, at least in part. I wonder how long it is going to stay on.

Is the minister in a position to say how much work is being done in the municipality to develop an official plan for the whole of the area? I know this was one of the objectives of the consolidated municipality when it came into being about two years ago. The desire was to have more local decisions made, in particular with regard to planning, and a special effort was to be made to develop the official plan.

I don't know how far advanced they are in this planning procedure, whether they are nearly ready to adopt it or just where it stands. Perhaps the minister could fill me in on it.

Hon. Mr. Irvine: Mr. Chairman, I would be happy to.

The freeze still exists. What we have allocated in our estimates is $500,000 for assistance to municipalities which wish to proceed with official plans or zoning bylaws and do not have the funds, in our opinion, to proceed. There are some municipalities that haven't the necessary staff to prepare official plans or zoning bylaws.

We have not, to my knowledge, received an application from the particular municipality that you mentioned with regard to financial assistance or as to what steps they wish us to take. I would be happy to have a letter from them.

I have been informed of grants that have been finalized. I can read them out to the hon. members: town of Alliston, $1,500; township of Bruce, $3,125; town of Caledon, $7,500; township of Collingwood, $5,000; township of Eramosa, 2,500; township of Michipicoten, $5,000; township of Murray, $5,000; town of Pelham, 50 per cent of the cost up to a maximum of $5,000; township of Rideau, $5,000; township of St. Edmunds, $3,000.

I have been informed by my staff that Proctor and Redfern are presently working on the plans for Timmins in consultation with our own ministry staff. If there are any hold-ups that the member is aware of I would be happy to hear from him directly and we will try to resolve them.

Mr. Chairman: The member for Waterloo North.

Mr. E. R. Good (Waterloo North): Mr. Chairman, there are a few things I would like to say about the plans administration branch, and specifically the special planning grants. A great deal of the province has been taken over by regional government. In all these bills there has been provision made that official plans be completed by a specified date, so in that regard we will see what I hope will be proper planning procedures instigated in that part of the province.

Dealing with the rest of the province, I have said on numerous occasions – and I think it bears repeating to the new minister– that I feel very strongly we're never going to get proper planning in the smaller municipalities and the rural communities until such time as the minister is prepared to give some financial assistance to those municipalities which find themselves without official plans and with no money to hire the proper planning expertise to develop plans.

Mr. T. P. Reid (Rainy River): That's right.

Mr. Good: What happens is that things go along without any plans. There is no proper zoning and no official plan until sometimes a developer moves in, as has happened in many of these municipalities. Then a ministerial order has to be placed on the area. In many instances it's too late to stop what has already been started; and we find then that instead of orderly procedure development, we have the old routine right back where the dollar bills of the developer in fact institute and start the original planning for that area. This has happened time and time again.

Another scheme used is the lack of approval by the ministry down here until such time as official plans are completed by that municipality. The minister, I'm sure, knows full well that that municipality does not have the finances to lay out a great deal of money within that next year or two to develop official plans, and consequently nothing proceeds in that municipality.

So you have the two extremes: One where somebody gets in beforehand and starts the development, which then is stopped on all further development by a ministerial order; and the other extreme where nothing happens in that municipality because no approval is given down here for lack of official planning.

We had planning grants years ago through the area planning board, and I presume there are still area planning boards getting special grants as well as other planning boards. I believe your planning boards, Mr. Chairman, will not be able to do a proper job until such time as they are given the authority to put some teeth into the recommendation. Any municipality in the area can very easily thumb its nose at the recommendations of an area planning board simply because they represent nothing but a co-operative effort. If one municipality chooses to use its own strategy, nothing is done in a wide area.

The Toronto-centred region was put forth as the be all and the end all to planning in the central core region of Ontario. We all know that it has been violated right, left and centre, by this very government, from its original concept.

An hon. member: Right.

Mr. Good: It has served, in my view, practically no useful purpose. It has said there is not going to be development west of Toronto; it was going to put development east of Toronto. To date it has been exactly the same as it always has been. The development has been west of Toronto. There's been nothing to promote development east of Toronto to any extent, other than what the government has called its North Pickering village. That is not east of Toronto; that is just an adjunct, an attachment to Metropolitan Toronto which will enlarge the problems which are right here in the city at this time.

The small municipalities have got to get assistance to do their planning. This government has never seen fit to have an official or a proposed broad brush plan for development across the province. Nothing has ever happened to the proposals in the Toronto-centred region as to where the strategic growth points should be in the southern part of Ontario. Nothing has ever happened in that regard. We find ourselves right back.

I would be very interested to know, Mr. Chairman, if the minister could tell us what progress has actually been made in the filing of official plans by municipalities across the province of southern Ontario, outside of the regional government areas. I have looked at the map over in the former community planning branch which showed which areas are under official plans. Believe me, Mr. Chairman, there were very few coloured marks in the map of southern Ontario for areas that actually had official plans completed, or in fact where there were official plans in the process of being completed.

This morning at the presentation of the Niagara Escarpment planning area, the point was brought up that even though Niagara regional government is charged in its bill to have ready by—I think it's either 1975 or 1976, at the conclusion of that year—an official plan—

Mr. R. Haggerty (Welland South): It is 1975.

Mr. Good: It is 1975 the member for Welland South tells me. That work and that plan can still be changed by the new planning area of the Niagara Escarpment and the planning development of the Niagara Escarpment Commission will hold precedence over the official plan of the new region.

In my view, many areas of the province are still in a chaotic situation because of the lack of leadership through provincial planning from the top down on a broad brush base and then giving the local communities the authority to establish their plans within a framework of strategic growth which has been laid down.

I wonder if the minister is giving any consideration to trying to infuse money into the smaller municipalities to get some real good

planning at the local level within a broader framework through to completion.

I still feel there are too many areas in the province that are not properly controlled for their own good, although those people are only too anxious to do it, in order to know where they stand. They want to do it themselves if they have the funds rather than have the ministerial order come in telling them to do this.

It was only four years ago that many parts of southern Ontario had subdivision control placed on. It is shameful to me that in the seven years I've been here there haven't been greater strides made by the government to look after overall planning of the province to indicate where we want our growth and then do something to promote it.

Hon. Mr. Irvine: Mr. Chairman, the member for Waterloo North has brought up a matter somewhat similar to that of the hon. member for Cochrane South. I explained just a few minutes ago that we have a fund of $500,000 for those municipalities which lack proper funding for planning purposes. I agree with the members that we do have to provide funds for those municipalities. We have implemented this programme this year and intend to improve upon it. We have enlarged our staff out in the area of the municipalities, not in Queen's Park. We've got field offices now which have been established in Thunder Bay, London, Sudbury and Ottawa to ensure that people can contact our own staff in the immediate area rather than having to come to Queen's Park as they used to do.

In doing so we have recognized that many municipalities have been very hesitant to take on proper planning procedures. We have been also hesitant to impose ministerial orders, as the member has mentioned. We don't wish to do so. We do so only in extreme cases such as the hon. member brought to my attention the other day, and to which I replied several times. In Oso township and South Sherbrooke township we imposed the ministerial order in both townships because of unplanned development being proposed. We recognize there is much more to be done; we would be happy to receive resolutions from municipalities which wish not only financial assistance but staff assistance so that we can improve on their planning procedures.

I think the hon. member brought out a very good point—one which may not be entirely in conformity with his own party's views, if I understood him correctly.

Interjection by an hon. member.

Hon. Mr. Irvine: He mentioned that the planning boards should be—I thought he said the planning boards should be separate from municipal control, but maybe he said it was the other way; maybe he said planning boards should be under the municipal councils, so that the municipal councils can proceed with planning.

Mr. Good: I don't think I said that.

Hon. Mr. Irvine: Could the hon. member clarify what he meant in that case? I'd like to know.

Mr. Good: What I said was that the planning that was done by your area planning boards in many cases was money down the drain, because the municipalities were not obliged under any condition to deal with their recommendations.

If there is an area planning board, it's got to be a joint venture of the municipalities involved and part of the municipal framework, so that there is some real planning done by those municipalities which want to do it on a broader base than the one particular municipality. You gave money over the years to area planning boards that had absolutely no power to enforce the things they were doing. In many cases these area planning boards were representative of the municipalities, but the municipalities had their own planning departments and could, in fact, if they wanted to, thumb their noses at the other boards. I don't know why you were giving money to area planning boards that were not a projection of the municipalities, with the municipalities' power to enforce decisions.

Hon. Mr. Irvine: The hon. member may be correct that we gave moneys to area planning boards. I am not aware of that. I will check into that particular matter to determine how much and when.

Interjection by an hon. member.

Hon. Mr. Irvine: I don't really know of any area planning board in my area that receives any funds from the provincial government. Area planning boards are funded by the municipalities involved. That is what has happened in the past, to my knowledge.

What you are talking about, really, is a good case for restructured counties. This is what we are saying, that we want to have the power put into the hands of the local elected people and we do not want special-

purpose bodies. We have said this consistently and we continue to say it. I am delighted to hear that the hon. member has recognized the necessity that this particular part at least be under the municipal council's jurisdiction.

Mr. Good: Mr. Chairman, let me just reiterate, for the minister's information, the planning of regions or the planning of counties is the one function that we have always said should be at the regional or at the county level. But what you have done under regional government is you have stripped the lower-tiered municipalities of all their powers. We in this party have always said that that would eliminate a lot of the necessity for regional governments, if you had sound regional planning under an overall provincial plan, which you've never had although p ople have been urging you to have it so for 25 years.

Hon. Mr. Irvine: I don't think it is fair to say we haven't had a plan for overall planning.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): You should read the member for Downsview's statement of 1966.

Mr. A. J. Roy (Ottawa East): All right. Have you got it available?

Mr. R. F. Nixon: You weren't around then. You were still supporting Diefenbaker in 1966.

Hon. Mr. Winkler: And I will today; there is nothing wrong with that.

Mr. J. E. Bullbrook (Sarnia): Do you hear that, Don?

Hon. Mr. Winkler: Except that I don't want them to say that it was 25 years ago; that's what you do.

Mr. Chairman: Order please.

Hon. Mr. Winkler: Don't say that to me.

Mr. Roy: You don't remember 1966.

Hon. Mr. Winkler: Yes I do, and I remember the record, too.

Mr. Bullbrook: You don't have to take that from him.

Hon. Mr. Winkler: I don't from the member for Ottawa East—he is still wet behind the ears.

An hon. member: You might as well sit down, Don.

An hon. member: Mr. Chairman, where is your gavel?

Mr. Chairman: Order, order.

Hon. Mr. Winkler: I am sorry. It was Jim who started it.

Hon. Mr. Irvine: Mr. Chairman, I appreciate all the interjections, because I think they are quite relevant to what we are talking about, at least I suppose they are.

Hon. G. A. Kerr (Solicitor General): Oh yes, especially that one of Deans'.

Hon. Mr. Irvine: But in any event, I do believe the province has been very much concerned and very much involved in overall planning, and we intend to get more involved in the future. I ask the hon. member to tell me, at his first opportunity, if he knows of a case of a municipality in need of planning assistance, and I guarantee to him that I will assist that municipality if the need is warranted.

Mr. Good: Why wasn't there planning in the municipalities on which you have just had to put a ministerial order? They must have been in need of some planning assistance. I bet they have never received five cents from this province.

Hon. Mr. Irvine: Mr. Chairman, I think it comes back to the very basic fact that there is a resistance to a degree, and rightly so, by some people in some municipalities to have any planning. In their opinion they can get along without it, but I say that you have to have plans.

Mr. Haggerty: The minister doesn't want any planning; that's what it is.

Hon. Mr. Irvine: I am saying that if they take up planning procedures which are not good for the Province of Ontario we'll put a ministerial order on any municipality, and we'll do it in the best interests of those people. But what we want to try to do is to make sure that they plan in co-operation with the province's overall planning concept for the future. We can talk about the past, if you like, but I'd rather relate our remarks to the coming months and years, whereby we can improve our development throughout all of Ontario, which will be in accord with good planning for the Province of Ontario.

Mr. Good: Surely not Metro Toronto.

Mr. Chairman: The member for Thunder Bay.

Mr. J. E. Stokes (Thunder Bay): Thank you, Mr. Chairman. I want to talk for a few minutes on two programmes that were given great publicity. A great deal of emphasis was placed on them by your predecessor twice removed, so that your colleague sitting beside you now isn't responsible for any of the statements that I am going to refer to this evening—

Mr. Roy: He is never here.

Mr. Stokes: Two years ago your predecessor twice removed promised that 100 homes would be built in northern Ontario in areas without municipal organization. It's a programme, the announcement of which I welcomed to a great extent, and I look forward to the implementation of that programme. In the two intervening years, you have built 20 homes in Minaki. Some are still unoccupied simply because you were so anxious to get going on the things that the basements were poorly constructed, they were built on pillars, the doors are jamming—

Mr. Chairman: Are these Ontario Housing?

Mr. Stokes: Yes.

Mr. Chairman: You should be on vote 803.

Mr. Stokes: No, no, they are the Ontario Housing Action Programme.

Mr. Chairman: Ontario Housing Action Programme is 803.

Mr. Stokes: I am not sure that it is under Ontario Housing, all I know is—

Interjections by hon. members.

Mr. Stokes: —that it was a commitment made by the previous minister responsible for housing.

Mr. Chairman: There is no item in this 802 as far as housing is concerned.

Mr. Stokes: It's exactly the same thing as the former speaker, the member for Waterloo North, was talking about.

Mr. Chairman: No, no.

Mr. Stokes: The only difference is it's an unorganized territory as opposed to organized.

Mr. Chairman: I have to disagree with you.

Mr. Stokes: The minister agrees with me because—

Mr. Chairman: Order for a minute. The member for Waterloo North was talking about planning.

Mr. Stokes: So am I.

Mr. Chairman: Community planning.

Mr. Stokes: So am I.

Mr. Chairman: Get to community planning, because you are talking about housing.

Mr. Stokes: Okay. There was a plan within this ministry to build 200 homes within the next two years. There was also another plan called Housing North, launched with great fanfare.

An hon. member: That's very catchy.

Mr. Stokes: Yes, Housing North.

Mr. Chairman: You are off base; you are still off base. We discuss housing in the next vote.

An hon. member: Jack, don't take it sitting down.

Mr. Stokes: Sheesh!

Mr. Chairman: The hon. member for York Centre.

Mr. Stokes: The minister has got it right in front of him, he has prepared the answer, and you won't let him.

Mr. Chairman: He will answer it in the next vote.

Mr. Stokes: Put my name down again.

Mr. Chairman: I did.

Mr. D. M. Deacon (York Centre): Would the minister explain to us what he is going to do in connection with the North Pickering expropriation, on the problems that were brought to his attention quite forcefully by the court regarding the inadequacy of the appraisals that were attached to the expropriation orders, and the fact that the new appraisals that are being done are based on transactions that are not close to the date of the expropriation? How is the minister going to deal with this matter to ensure that the people whose lands are being expropriated are going to have proper evaluation on which they can judge and contest or agree to the offer of expropriation?

Mr. Roy: You can't even expropriate right.

Hon. Mr. Irvine: Mr. Chairman, as the hon. member knows, this matter is still before the courts. There has been an appeal. The action was brought forward by one of the residents, Mr. Bamborough, before the

Supreme Court of Ontario, seeking relief from expropriation on the grounds that the appraisal report accompanying the offer was inadequate. The relief was denied by the court. The criticism, as I see it, is that the North Pickering project was denying him, Mr. Bamborough, the information necessary for him to determine whether the offer was fair and reasonable. The Supreme Court judgment requires the project to provide more detailed documentation, explaining how the value of the property was made.

The Sept. 10 judgment by the Supreme Court of Ontario, as far as we are concerned, in no way invalidates the expropriation of the properties within the site. The project is proceeding, with the preparation of detailed appraisal reports for delivery to those who have been expropriated, but with whom the province has not as yet reached settlement. These reports will amplify the basis for the offers made by the province last spring. The form of appraisal reports will meet the principles set out in the judgement.

The Supreme Court's decision clarifies the section of the Expropriation Act which has been causing some uncertainty regarding the form of appraisal to be provided to any expropriated owner. As I mentioned at first, the government has asked and been granted leave to appeal; so I think until such time as we have a decision, that is where the position is at this time.

Mr. Deacon: Well, Mr. Chairman, I will ask the minister why the government has asked for leave to appeal when, in effect, it's going ahead with more detailed appraisals. To my mind, that indicates it's admitted it's wrong. Why are they moving to update these appraisals until they have got a final judgment on the matter?

Hon. Mr. Irvine: Mr. Chairman, it doesn't in any way indicate that the government feels it is wrong; but the government wishes to make sure that it is right, and the staff of the North Pickering project have now completed the preparation of new appraisal reports for all properties.

An hon. member: He is taking no chances.

Hon. Mr. Irvine: We don't prejudge, as I mentioned before. Some people have judged matters before these estimates, certain people being one way or the other. I am saying that we wish to determine our course of action—once the final analysis is made by the courts—and then we will proceed in that manner. We have to find out, as far as we are concerned, what the people in the area wish; and we have, as far as the staff is concerned, proceeded in that way.

The staff of the North Pickering project have now completed the preparation of the new appraisal reports for all the properties that are not occupied by resident owners; and that's very important, I believe. Those are the properties which we intend to take possession of on Nov. 6.

These new appraisal reports, together with the new offers of compensation, which represent offers 115 former owners, have now been served in respect to such properties. The balance of the properties, numbering 171, involve the properties of former owners still resident on the site. New appraisal reports, together with new offers of compensation in respect to these properties, will be prepared and will be served prior to the end of this year.

Now I think, as some of my colleagues might be aware, Mr. Chairman, an appraisal report is a statement of professional opinion of a qualified appraiser as to the market value of a given property at a given time.

Mr. Good: Which you don't believe in.

Hon. Mr. Irvine: I think it is quite true to say the opinion of two different appraisers concerning the same property may very well vary considerably. It is not uncommon to have them vary to a range of 10 to 30 per cent.

In making the new appraisal reports, we have used wherever possible the appraisers who did the work previously, asking them to review their work and write a new and more detailed appraisal. In a number of the cases, it was impossible to assign the same appraiser and we had to engage new appraisers. As a result, opinions of market value expressed in many of these new reports vary from the appraisals which were served last spring. Certainly the amounts vary from property to property.

In no case—and I think, Mr. Chairman, this is what I want to bring to the hon. members' attention—is a new offer less than the one made previously.

Mr. Roy: I guess not, you said land is supposed to be increasing. You have got a real insight on this.

Hon. Mr. Irvine: So we feel that the North Pickering project staff who have been in the field have done their utmost to ensure that the people there have received their full

rights in regard to the compensation due to them.

Mr. Deacon: Mr. Chairman, I find that a very confusing explanation that the minister is reading. I don't know who is giving you that information. Why are you putting those people through the expense of another court case—an appeal—when in fact you are admitting you are wrong and you are bringing up a proper report? It just doesn't make sense.

Hon. Mr. Irvine: I told you we are not admitting we are wrong.

Mr. Roy: The court says you are.

Mr. Deacon: But you put through a two-page document; it was inadequate, you wouldn't even have accepted that yourself if you had received that as a basis of valuation, you know that. It was just a sketchy outline that you hoped you could push through.

Hon. Mr. Irvine: I think it is obvious if we felt we were wrong we wouldn't have appealed, Mr. Chairman. The member says—

Mr. Deacon: Well why are you going ahead and having these new, more complete appraisal reports made if you knew they weren't wrong? If you think you are right, stop this new appraisal work; go ahead with these two-page things you have shoved at the people before saying: "That's adequate." This isn't consistent at all. The way you pool the resources of all the people here, the taxpayers, against these poor folks the way you do—to try to shove them around, make them go through more court cases and appeals—it certainly is no wonder they are furious with you out there.

Hon. Mr. Kerr: He is answering your objections, what's the matter with you?

Mr. Reid: Don the dictator.

Interjections by hon. members.

Hon. Mr. Kerr: Are you for the two pages or aren't you?

Hon. Mr. Irvine: The hon. member knows full well that is not right. He knows full well that we have every right to provide new detailed appraisals if we wish, and we are going to do it to satisfy his people, the ones he was standing up for, crying about the fact that the government hasn't done enough for them. We have bent over backwards to make sure that people in North Pickering have been compensated fully and to the best of our judgement.

Interjections by hon. members.

Mr. M. Cassidy (Ottawa Centre): That really is effrontery, you know.

Mr. R. F. Nixon: They like you out there.

Mr. Roy: Oh yes!

Hon. Mr. Irvine: In regard to the one who has a case before the courts; we have paid expenses, we have considered this a test case. We are waiting to have the appeal heard.

Mr. Deacon: Mr. Chairman, does the minister mean to tell us that he thinks, and his ministry thinks, that a two-page, sketchy report of an appraisal is sufficient to give people as a basis of judging whether or not the value they are being offered for their property is sufficient? Does the minister tell us that is what he thinks is right?

Mr. Roy: Yes, that's what he thinks.

Hon. Mr. Kerr: No, he is doing better now.

Mr. R. F. Nixon: The judge turned it down.

Interjections by hon. members.

Mr. Deacon: If he does think that, okay; let him go through the courts up to the Supreme Court of Canada with his case. But would the minister recognize that if he wants to be fair with these people he'll block the darn case, admit the ministry is wrong, and go ahead with a full appraisal to all these people, and let them know of the basis on which you are making your offer—a proper basis for it.

I think this is really trying to prove you're right when you're wrong all the way, and you know you are by what you are doing here.

Hon. Mr. Irvine: Mr. Chairman, the member is so far off base it isn't even funny.

Mr. G. Nixon (Dovercourt): As usual.

Hon. Mr. Irvine: I am not admitting that we are wrong.

Mr. Roy: You wouldn't admit anything

Mr. P. J. Yakabuski (Renfrew South): Don't be concerned because that is par.

Hon. Mr. Irvine: I feel it is quite appropriate to have new appraisals made.

Mr. Good: If the others are right, why haven't—

Mr. Deacon: Mr. Chairman, the other matter I want to find out is: What is the minister going to do in order to get those lands back into operation again? I know all summer they have been offering people some sort of ridiculous fees—I don't know how many have accepted—but they are not going to get those lands looking like anything other than like a war-devastated area, which it now looks like. North Pickering is worse than Malvern—and that is saying a lot—because by taking over the ownership, they have killed the incentive and people are moving off the land.

Has the minister considered letting these people buy back their lands minus the development rights, so that they can get some sense of ownership and interest and involvement? It is going to be years before that land is ever built on, if it is ever built on. And if the government owns the development rights, it will have the power to do it someday, if it can get the permission of the local municipality. In the meantime, we could get that land back under the ownership of farmers who would take care of it.

Go through that area now and you'll see barns with boards missing, abandoned houses and houses rented by people who have no interest in them—and they won't have any interest in them until they can become owners again. Surely the minister recognizes that we will never build up a strong community until people can own what they have. Tenants have great difficulty—

Mr. Yakabuski: Oh, oh. Watch it!

Hon. S. B. Handleman (Minister without Portfolio): Say it: Tenants are second-class people.

Mr. Deacon: Well, I'll say that tenants have great difficulty when they are farming unless they have a really long-term agreement so that they can look at other than what is needed, and the return they can get from minding that property.

Hon. Mr. Handleman: We know what you think of tenants. That will come back to haunt you.

Mr. Deacon: I would like to ask the minister right now, what is he going to do to restore that countryside to something we can be proud of instead of something we are so ashamed of, as is the case.

Mr. Yakabuski: Well, there's the Lower Town bumpkin.

Mr. Roy: Yes. You found your way back, eh?

Mr. Yakabuski: The Lower Town bumpkin.

Mr. Roy: You probably walked all the way.

Mr. Yakabuski: The Lower Town bumpkin.

Hon. Mr. Irvine: Mr. Chairman, earlier I m ntioned that as far as the development plan is concerned, I expect legislation will be processed at this session whereby we will have a development corporation that will work with the residents and the elected representatives of the area municipalities and the regions in regard to how the new plan will be developed for residential, commercial and industrial purposes.

In regard to those who are living there, we have said they can repurchase if their property is compatible with the plan. Otherwise, it is a leasing operation, which we are proceeding with right now. Whether or not the people have looked after the properties is not the fault of the province in my opinion.

Mr. Deacon: Oh, yes it is.

Mrs. Campbell: Yes it is, all the way.

Hon. Mr. Irvine: I think it has to be the responsibility of those who live on the properties, and if you don't share that concern as much as I do, it is unfortunate. I believe, as I said before, that we have done everything possible—to make sure that the people in that area were treated fairly.

The sooner we get on with the development, the sooner the whole area will prosper and grow. But it needs the co-operation of you, as a local member, of all those living in the hamlet and of those in the area municipalities and in the region, to proceed with the development plan. The government has committed itself to provide the funds for developing the area. We have done everything possible in regard to the farm land there. The Minister of Agriculture and Food has worked with us in terms of a farm leasing programme. Now what else can we do at this particular time?

Mr. Deacon: I would be surprised if the lease that is proposed for those lands is one that has been proposed and developed by the Minister of Agriculture and Food (Mr. Stewart). I don't think it is a lease he would sign to farm and operate those lands.

As for my co-operation with you, I went to some meetings, and I think your staff will perhaps say that I was trying to develop a basis of communication and co-operation between your staff and the people, because I think that is vital. But I also think that for it to be successful, we have to recognize what motivates people—and that is not accomplished by having powers removed even from the people in charge of that project. They say: "Look, we think your ideas are all right. But we have to get approval from the powers that be at Queen's Park." There is never anyone at those meetings who can say: "Yes, we will agree with this" or "No, we won't." They are always remote. So they no doubt have to receive opinions, but they can never approve deals. It's important that it be possible for those people to work directly with those who can give them answers and work out arrangements.

I'll give you an example of situations with landowners who have been expropriated. Let's take Woodland Park and Austin Reesor —I think the Provincial Secretary for Social Development (Mrs. Birch) has been approached by Austin Reesor because his land was in her riding.

That land has now been expropriated. It was a very attractive development, with campsites. That's where the annual butter festival of Cedar Grove was held. That's all dead now, because it was impossible for Austin Reesor to get an answer from the minister's department as to whether he could repair things in that campsite. He could have leased the darn thing, but he couldn't get any basis of co-operation with your folks as to the investment that could be reasonably made by them to keep it up. You could have got a return, just as he got a return on it. He would have been glad to work with you if some sort of deal was possible. But no answer could be gotten from your ministry. That frustrates people.

I'll just tell you, Mr. Chairman, through you to the minister, that basically we can get co-operation from those people, but we've got to recognize that there has to be a basis of understanding and agreement, negotiation and discussion where they are not going to be continually put off and offered the kind of leases that no sensible person would ever want to sign.

I've seen some of those leases, and no lawyer would ever recommend that people sign them. It's heads the government wins and tails the tenant loses. It's a very bad arrangement right now.

I certainly would tell the minister, Mr. Chairman, that I'm prepared to co-operate with him. I recognize he's expropriated those properties. I want to see that area restored and I'll work with the minister to do it, but he's got to take a very strong position himself with his cabinet colleagues and get the right to move ahead with deals that make sense.

Hon. Mr. Irvine: Mr. Chairman, let me elaborate a bit more. The hon. member has brought forth the point that he will co-operate. That's great. I'm delighted to hear him say so.

Mr. Roy: We always do. I will even co-operate with the Solicitor General and that takes some doing.

Hon. Mr. Irvine: This we need. But let me say there are certain things that we have done, whether or not they have been recognized. My figures show the number of tenants as 342; the number of licensees as 171. We are maintaining 13,015 acres. The total revenues that have been received are $367,-783.46. This is during the fiscal year of 1974.

When I had the opportunity to be in England and Scotland this year with some of my senior staff to look at new towns and new cities, we found out very quickly, as we had expected, that they're not developed in a year or two. They take up to 10 years to be developed. There's a transitional period which is difficult for those who live in that particular area. We have tried to get across that bridge. We have, to the best of my knowledge, achieved that at this particular time.

The majority of the people there are now satisfied. There may have been problems in the past, I'm not saying there weren't, but I'm saying that I think we have corrected whatever mistakes were made. I intend to make sure that we improve as we go along, if we can.

We worked with the farmers in the area, along with the Ministry of Agriculture and Food, to ensure that the farm leases were good leases. I don't know what more we can do. If the farmers, or those who own the land are satisfied, if there's a lease which looks appropriate to our government and to those in the area, I don't suppose we can question that.

What else you want to do is beyond me. I'm open to any suggestion the hon. member has to improve the situation.

One thing I would again bring to all members' attention is the fact that our job has

not been made any easier with the indecision on the airport. Many owners have been affected by the land freeze which we had to put in force because of noise cones. It doesn't relate to this particular part, but when that has been decided one way or the other, then I think there will be certain restrictions lifted, depending on what decision it is.

We've also tried to improve the park areas they have out there. I think we spent $7,000 on Woodland Park. We have, in my opinion, fulfilled everything that we should, as a government of Ontario, to the people in that area. We intend to proceed as quickly as we can with a well-thought-out, well-developed plan, but only in co-ordination with all those affected.

Mr. Chairman, let the hon. member be well aware that it's going to take a long time yet. It is not going to be this year, it is not going to be next year before the houses start to be built in North Pickering, or before the first commercial enterprise is opened or the first industry is located there. It is going to be some while. So let's not get our hopes too far advanced in regard to the development. But we are planning and we are proceeding in what I consider a very appropriate manner.

Mr. Deacon: Mr. Chairman, as far as development is concerned, when it occurs is going to be up to the minister. I hope it never occurs in anything but the southeast corner, because I think that's about the only appropriate place that development should occur.

Be that as it may, what I'm concerned about is the rest of the 17,000-acre or 18,000-acre block and what we can do to make that attractive and get it restored to a viable condition. I think one of the things that frustrates the local people is the fact there is a huge staff there who are falling over themselves and who can't give answers. Maybe the fastest way to solve this thing will be to have the minister go out on his own and have a meeting with a few of these folks and myself or the local member, the hon. Minister of the Environment (Mr. W. Newman), on the other side

I think these people are prepared to work sensibly and fairly, but they get very frustrated, as I mentioned before, by the fact they are having to deal with a lot of people who can't give them answers, or the answers they do give are completely impractical.

I just urge the minister that if he wants to get on with some of these things, he knows the ground rules on what can be and what can't be done. I think he'll find the people will recognize a lot of things, but they want to get that land back into good operation, and there are ways of doing it which are much better than those that have been put before them so far by the ministry.

Hon. Mr. Irvine: Mr. Chairman, that may be. I don't concede that's a fact, but I do say that every Minister of Housing who has preceded me has been out to the project, has talked to the people and has made sure they understood what our staff was doing at that particular time. We've had all kinds of public meetings. The staff has been there at all times to be available when there wasn't a public meeting. I think there has been more consultation in North Pickering than in any other municipality in Ontario.

Mr. Deacon: It is a one-way consultation.

Hon. Mr. Irvine: So if the hon. member finds sometime in the future that there isn't the co-ordination or the good spirit that we have at the present time—because I really believe that we have good communication with the people in the area—I will be quite happy and delighted to go out with you and talk to the people. But I do not see the need of it at the present time. I believe our communications have been full.

Mr. Deacon: Mr. Chairman, I just want to ask if the minister would come to Austin Reesor's next Saturday when he has his little apple butter gathering. I'm sure he will get an accurate impression of how the people feel. Don't make it a big affair, just a quiet visit, and I think it would be a very pleasant one.

Hon. Mr. Irvine: Mr. Chairman, just on a closing note, we've got to remember that we are not going to satisfy all the people in any area at any time.

Mr. Deacon: You don't satisfy anybody there right now.

Hon. Mr. Irvine: But I think we have satisfied the majority. Now as a politician you know full well that you can invite a small group if you wish, but I'm not going to go to a small group meeting. I am going to have a meeting with everyone, if I go out there, and I will make sure that everyone knows I am going to be there.

It's not going to be a closed meeting. We will go out and talk to people as frankly as we are talking tonight. There is absolutely nothing to be gained by having some of those people who are dissatisfied come to a

little meeting, and express what they have said before to every minister. I know full well some of the people you are referring to and we will never be able to satisfy them. But we will try our best to satisfy the majority.

Mr. Chairman: The hon. member for Ottawa East.

Mr. Roy: Mr. Chairman, I want to speak on this matter, but prior to that I thought I should make a few remarks to the minister. I frankly wonder, when discrepancies or when failings are pointed out in your ministry, as have been pointed out, I suggest to you, this afternoon and again this evening by my colleague about the question of North Pickering and the expropriation, why you are either a bear for punishment or you just want to bull right through this. I don't see why you don't admit, for instance, that there have been certain weaknesses in the expropriation procedure.

What you are saying, in the face of a court judgement, a decision of the Supreme Court of Ontario, is that the evaluation you sent along with the expropriation was not adequate. Your statement here in the House today that you feel you are right, in my opinion, borders very nearly on contempt of court, because the court has said that you are not right. You are appealing, but until you are successful in your appeal the decision is one that is against you. And the best evidence, probably, that you are not right is that you've gone out and tried to remedy some of the failings of the notices sent out to these individuals.

I suggest to the minister that some of the statements we have been uttering here in the House certainly have validity. I suggest to you that you are wrong when you say there has been nothing wrong with the expropriation. According to my reading of the Supreme Court judge in that case, his suggestion to you was that you were not even following the Expropriation Act of Ontario or complying with some of its requirements. You state here in the House tonight that you feel you are right even though the judge said you are not right.

Secondly, you go out and try to correct your earlier notices. I don't see why you don't admit there have been certain failings on this instead of trying to give us such an explanation as you just did, which in my opinion, Mr. Chairman, has no validity whatsoever.

Proceeding to the point of community renewal, I would like to ask the minister, first of all, is that the programme whereby all provinces got money from the federal government and then certain portions of that money were allocated to certain municipalities? I recall the city of Ottawa got $1 million and then other municipalities had to make application for it. Have all funds under this project been allocated as of today?

Hon. Mr. Irvine: I just read the amounts out, Mr. Chairman. Maybe the member wasn't in the House at the time, but the amounts and the municipalities involved were discussed at great length.

Mr. Roy: That was not my question. Have all funds been allocated?

Hon. Mr. Irvine: Just a minute while I answer one part. The municipalities that are involved in the programme were ascertained by consultation with the Provincial-Municipal Liaison Committee. They were the ones who recommended certain municipalities, the city of Ottawa being one. All the funds for this year have been allocated unless there are additional funds forthcoming from the federal government of which I am not aware.

Mr. Roy: My second question, Mr. Chairman, is have any funds been allocated to the city of Vanier?

Hon. Mr. Irvine: Yes.

Mr. Roy: How much?

Hon. Mr. Irvine: I want to make sure I have the amount correct. For the city of Vanier, funds allocated by the federal government are $90,000, by the province, $45,000, and by the municipality, $45,000; for a total of $180,000.

Mr. Roy: Under the community renewal programme then?

Hon. Mr. Irvine: Yes.

Mr. Roy: Vanier was one of the areas that had to apply for it. As I understand the plan, and I was talking with your predecessor, —not your immediate predecessor who is seated next to you, but the original—

Interjection by an hon. member.

Mr. Roy: Yes, the original Minister of Housing (Mr. Welch), at the time that this plan was announced by the federal government, said the reason there were the earlier allocations to a number of municipalities was because they had made application some time ago, even before the planning got going.

I was asking about Vanier because I understood they had an application in. What you are saying to me today is that $18,000 has been allocated to Vanier under this plan. Is that what you are saying?

Hon. Mr. Irvine: The $180,000 total has been allocated under this plan. In some cases, I believe there were five municipalities that were eligible from the former urban renewal programme, which the federal government decided not to proceed with approximately a couple of years ago.

Mr. Roy: I understand that as regards the city of Ottawa, about $1 million had been allocated to the city of Ottawa—something in that area?

Hon. Mr. Irvine: The city of Ottawa, Mr. Chairman, was allocated $1,290,000 total from the federal government, $645,000 from the provincial government, and the funds from the municipality have to be $645,000 also, for a grand total of $2,580,000.

Mr. Roy: It would seem that at the time of the allocation to the city of Ottawa there had been some suggestion by the mayor at that time, the present mayor—well, the unsuccessful candidate in Carleton East, and I don't want to belabour that point—

Hon. Mr. Handleman: Say it again, say it again. You don't want to belabour it, but say it again.

Mr. Roy: Yes, yes, you want me to say it again? No, he is still the mayor of Ottawa and he stated at the time that he did not think he could use all these funds. As I recall reading something about him, he had said that he felt the city of Ottawa would not require the full allocation and that some other municipalities might well use it.

The reason I ask that, is that if you are familiar with the problems in Vanier and some of the living and housing conditions in that city, some of them are pretty deplorable, some of them are pretty bad, and it's not an easy situation. The experience in Lower Town was, in fact, a bad experience, where you knocked buildings down. This was a plan which started four or five or maybe 10 years ago when the community in Lower Town was effectively or very nearly destroyed by buildings being down and there being no alternative accommodation for the individuals and the community living down there.

Anyone who is familiar with the Lower Town area will know there has been severe criticism about the approach taken down in Lower Town. Of course, I suppose what would be needed in Vanier would be that kind of a renewal for much of the city, but not in that fashion. So it seems to me that $180,000 for Vanier, considering the need for housing and considering the deplorable living conditions of many citizens in that area, does not appear to me to be quite adequate.

I was wondering, first of all, was I right that Ottawa had said maybe it had got too much? Secondly, how come Vanier is not getting more than this?

Hon. Mr. Irvine: Mr. Chairman, as I mentioned before to the hon. member, we consulted with the PMLC, which agreed that certain municipalities were the ones to receive the funds for this year. As far as next year, the city of Vanier can apply and it will be eligible for certain funds.

We have also consulted the PMLC in regard to the criteria to be used for next year, and if the member wishes I can read them off. They are rather lengthy but I would be quite happy to go through the criteria necessary.

I suggest to the hon. member that Vanier also had the opportunity to apply under OHRP and RRAP, under the Ontario Home Renewal Programme. There are other programmes in which it can assist itself in regard to providing adequate housing. So if it has only $180,000 in this and it wishes to apply under another programme, that doesn't stop it. I think it is up to the city to apply.

The mayor of the city of Ottawa, at one meeting of the PMLC, if I remember correctly, did say that possibly there were too many funds allocated to the city. But as I understand it, the amount was agreed upon as I read it out.

Mr. Roy: Did they turn any back?

Hon. Mr. Irvine: I haven't received any refunds, put it that way.

Mr. Roy: None you could transfer, for instance, to Vanier?

I appreciate that this is certainly not a one-way street. A lot of the initiative in these projects often depends on the municipality or on city council to take the initiative and make an application.

But I would take this opportunity, Mr. Chairman, to point out to the minister that certainly I will be talking with the municipal politicians. It seems to me that I can't

emphasize enough some of the living conditions in Vanier.

I intend to talk to the minister on a later vote on the lack of, for instance, family accommodations under the HOME programme in Vanier—in other words under low rent accommodations. They have only got about 15.

Some municipalities don't accept senior-citizen or low-rent families from other municipalities unless it is an emergency situation. Some landlords are taking advantage of this and are renting deplorable flats and apartments to individuals.

I would just urge the minister that when requests come from the city of Vanier, that certainly serious consideration be given, because I think it is one Ottawa area where certainly you don't have to drive around very long to realize how deplorable some of the conditions are.

Hon. Mr. Irvine: I would like to assure the member that I will give serious consideration to any request from the city of Vanier. I am fairly well aware of the area, also, and will look forward to receiving any application which they wish to proceed with.

Mr. W. Hodgson (York North): Mr. Chairman, I would like to speak on behalf of a group of people I represent, and I am sure that the hon. member for York Centre represents, too. They are the unfortunate people who had lots on record at the time of the freeze of the proposed Pickering airport.

I have spoken in the House before and I have talked to the ministry. What would be the matter, Mr. Minister, with the person who owns the lot building a residence on it? I know the implications, but I think this would relieve those kind of implications as far as compensation is concerned.

In later years, or such time as the airport is established, there could be compensation for noise or what-not. But what would be the matter with issuing a building permit if the person applying for the building permit was aware of the hazards? They do know now — they are aware — but make them aware and have them sign something that will go on their deed saying they won't apply for compensation, if and when the airport is built, because of noise pollution or whatever pollution there may be.

Now as I have said, I have talked to former ministers on it. They thought it might be possible. Now you have the new approach. Maybe you can come up with something for us. Not for us—I am not speaking on behalf of the member for York Centre, or myself, because we are not really affected—but a lot of our residents are. And also the member for Scarborough North (Mr. Wells) and the member for Ontario South (Mr. W. Newman) are affected very much.

Hon. Mr. Irvine: Mr. Chairman, the member for York North has brought forward a very, shall we say, attractive proposal, if it can be implemented legally. I have endeavoured to assure myself that it can be done, and to this date I have not received legal advice that this can be done. If it can be done, I certainly would proceed with it. I will continue to investigate that matter and report to you. But as I say, to this date the answer I have had is it is not legally possible to do so.

Mr. W. Hodgson: Well Mr. Minister, I don't know what lawyers you are talking about. I talked to a few. They won't be charged with the obligation proposed in the legislation, I know that, but they feel that this can be done. I wish you would pursue this very conscientiously. I don't know how many lawyers' opinions you have on it, but that is what law is all about. Lawyers would go out of business if they didn't have different opinions. In any event, I would hope that you would approach more than one or two lawyers on this.

Hon. Mr. Irvine: Yes, Mr. Chairman, I want to assure the hon. member that we have done that. We have checked on legal opinions within our own ministry and we have checked with the lawyers of the Attorney General's ministry to determine the views of not only the Ministry of Housing but also the Ministry of the Attorney General.

As we see it, the problem is with the future buyers of the property—not the ones who buy in the first instance, but the second buyers. I will be quite happy to go further into this and find out if we have some way of resolving this. It certainly would assist a lot of people; there is no doubt about that. But, as I say, to this point we haven't been able to agree on that particular approach.

Mr. W. Hodgson: Thank you very much for pursuing it. I would just like to extend a thank-you to your ministry for releasing that number of lots within the Witchurch-Stouffville area in the last six months. We certainly appreciate that, and this is why I am pressing here tonight for something to be

done for those who live within the restricted area now.

Hon. Mr. Irvine: Thank you.

Mr. Deacon: Mr. Chairman, in connection with the matter just raised by the member for York North, I was pleased that when the present minister was parliamentary assistant he did allow a building permit for a lot lying within the noise zone. The lot was part of a farm, actually farmed by the applicant for the building permit. As I say, the minister did allow him to build; I believe the minister arranged for a document to be signed indicating that the owner recognized he was building in a noise zone and that he would not be claiming later.

I guess at the time I though you had a legal opinion on that letter, because I think it took several months to get the letter drafted. Maybe the minister would explain that situation, because I thought it was a fair approach to the problem. I was just hoping we could do it with every case of hardship that comes up; and, as the minister knows, I've got a few that I've been bringing to him continually that I think should be dealt with.

Hon. Mr. Irvine: Mr. Chairman, if I remember correctly, that was a true hardship case. There are some cases that are brought before us that are not, in our opinion at least, hardship cases. If someone has sold a home and wants to move to another part of this particular area, I don't feel that is a hardship situation. But in certain cases there is a hardship caused by this particular zoning order.

At that time, I did put a notice on the registration to try to make sure that those who would be involved at later dates would be aware of what they were buying and what they would be owning. I did not have any assurance at that time that this was full authority to do so. The actual transaction was based on the matter of hardship, and not really on this registration.

Mr. Deacon: Mr. Chairman, one way it might be done, I think, is to register a third-party agreement on title, which I know has been successful in other cases where we have tried to be sure that future buyers were aware of the situation.

Basically, though, as I have discussed many times with the minister, I think the whole matter of the freeze is a most iniquitous action, because there is no compensation provided for those who are deprived of a right that they purchased when they bought their land. These people could expect to get, and in many cases they had already taken out, building permits. In one case that I brought to the minister's attention, the man became ill and was unable to build, because of his illness, until after the building permit expired. Then he found, when he went to reapply, that the freeze was on. He has been put in a very difficult position as a result.

I think it's time as I have discussed with him, that the minister said to Ottawa: "You pay these people compensation for the right you have taken from them, or we will lift the freeze." I don't see why this minister and this government should continue to protect Ottawa from what I think is its obligation to compensate those who are frozen in these noise lands.

I happen to live within the noise lands. We don't want to build on our property, but many others who have bought lots, assuming they could build, have now found they are stuck with that land. They can't buy another lot to build on, they are renting property at a high price when they thought they would be able to own their own home, and they have a lot of money tied up in the land. They are locked in, and there is real hardship.

I don't see why this government should protect Ottawa any more from its obligation here. I would like to hear the minister comment on that.

Hon. Mr. Irvine: Certainly, Mr. Chairman, I think the hon. member knows that I for one am not a sympathizer of the federal government, and I never expect to be as long as it is a Liberal government. In any event, in regard to this particular matter, you and I have had previous discussions only this week, at which time it was indicated by a press advertisement in the local newspapers that the "new international airport" was hiring some employees. I forget all the details—I haven't got them in front of me—but I was intrigued by the "new international airport."

Now that you have brought the matter up, I feel that since you have asked me to do something I will again ask the federal government to give us a decision. If the hon. Barney Danson—

Hon. Mr. Handleman: Your federal member.

Hon. Mr. Irvine: —who is the local member—

Mr. Deacon: He is our federal member.

Hon. Mr. Irvine: —can assist us in resolving this matter I would be delighted. I think now that we have seen this new advertisement which indicates to the people in the area, and the people of all of Ontario, really, that we have had a decision made by the federal government, it would warrant a formal decision, and certainly I would think they would write the Premier of Ontario (Mr. Davis) to let us know that they have decided to proceed with the airport.

If the advertisement is wrong then I hope that they will deny it, but I will undertake to send a letter to the hon. Barney Danson next week and ask him for an immediate disclosure of the federal government's plans as to whether or not it wishes us to know at this particular time, or whether or not it has made a decision, and what can we do for the people of this area.

I want to make sure that you also assist me, because I have an idea you might have somewhat more pull than I would have with your colleague.

Mr. Deacon: Mr. Chairman, I think the issue isn't whether or not they are proceeding with the airport. I hope they don't proceed with the airport, as you well know. The issue is the matter of compensation for the removal—really the withdrawal—of the rights that these people have, and that compensation is vital in this case. I don't think the issue that the minister should be contacting the minister about, with all due respect, is the matter of whether or not they are proceeding with the airport. It is: What compensation are those people within the noise lands, whatever it is, going to receive for the loss of their right to build?

I think that will satisfy us. We know that there has been provision made to these people for compensation, and I would urge the minister to push on that, because once we get that principle settled then we can certainly get some pushing on the actual boundaries—and I think those boundaries are already delineated.

Hon. Mr. Irvine: Mr. Chairman, I would like to assure the hon. member that I got the point that he was mentioning just now and I certainly will have that included in my letter. I think there are two matters to be decided—the one being compensation, the other being whether or not they are proceeding with the airport.

Mr. Chairman: The hon. member for Ottawa Centre.

Mr. Cassidy: Thank you very much, Mr. Chairman. I want to ask a few questions on this subject of the minister. I am sorry I didn't have a chance to joust with him during the lead-off of the estimates, but I was unavoidably in New Brunswick, where there is also an election campaign.

Mr. Deacon: You mean they need a special campaigner to run this campaign?

Mr. Cassidy: It gets in the blood—that's right. I tell you that is the last venture I make outside of eastern Ontario, unless there is a by-election somewhere else that we can win.

Hon. J. R. Rhodes (Minister of Transportation and Communications): Is that a promise? We sure don't need you up north.

Mr. Cassidy: You know, the NDP will increase its vote as sharply in New Brunswick as it did in the Carleton East by-election this year. It was quite a shock, I think, for both of the other parties.

Hon. Mr. Rhodes: It was a shock for you guys.

Mr. Deacon: Did you double your vote as you did in Stormont?

Mr. Cassidy: Well, from such a base, I mean—

Mr. Chairman, I would like to ask the minister about the Home Renewal Programme, because that has been in the works now for about—

Mr. Chairman: This is not involved under home renewal programmes.

Mr. Cassidy: Yes, it is, under vote 802.

Mr. Chairman: Eight zero what?

Mr. Cassidy: Eight zero two.

Mr. Chairman: Yes, community renewal.

Mr. Cassidy: That's correct, yes.

Mr. Chairman, it was promised for the first time in February, 1974, following from a conference in Ottawa in about 1971, I think, at which the plan was originally unveiled, again to great publicity by the government. I suspect that the minister was probably present then in his former personality as the mayor of Prescott. It's taken three years to get the programme on the rails. Eventually, the government offered $10 million, but by August, six months after the original announcement, the policy had still not gone to

cabinet. It was finally unveiled yet again, for about the 14th time, on Sept. 19, as another major new initiative—3,750 units.

The member for Ottawa East was bemoaning the fact that his area, the city of Vanier, which has need of this kind of renewal funds, is only getting a few grants during the course of the coming year. I can say the same thing about areas in my particular riding. It just seems to me that the programme is not related at all to the situation of older and less expensive housing in the province—housing which could, in fact, continue to provide decent accommodation for families, many of whom are on low incomes.

In 1971 in Ontario, Mr. Chairman, there were 187,000 houses that didn't have a central heating system but were heated by space heaters or by stoves; 66,000 with no inside flush toilets; 34,000 with cold water only, and 45,000 with no running water. Naturally, a number of those were in the rural areas, but when you get into municipalities of 100,000 or more, you find that the number of houses there that require some substantial renewal is very significant.

There are 26,000 with no decent heating system; 3,700 without inside flush toilets; 5,700 with cold water only, and 3,300 with no running water, including 2,800 houses in the Toronto census metropolitan areas with no running water. Obviously, that's an indication of the kind of renewal problem that exists in Toronto and in our major cities.

We're talking of at least 100,000 homes in urban areas, and another 100,000 homes in rural areas, which are in need of substantial renovations. Many of those, if given those renovations, would be adequate accommodation for many years to come.

The 3,750 units the minister is proposing are simply an inadequate response to the kind of need for home renewal, particularly at the outset of the programme. If the minister wanted to say that for five years the government would undertake renewal funds for 10,000 or 12,000 units a year and then would subsequently taper it down, that might make some sense. But there is no sense of urgency in a programme which, for Ottawa for example, provides for about 150 or 200 grants during the course of a year, I believe, and for Vanier, maybe a dozen, and for the city of Toronto, an equally small number.

There simply is no urgency in it, and I wonder if the minister can defend the level of the programme and the slowness of the programme, and say whether the ministry has any plans to increase its commitment to renewal rather than leaving it at the present inadequate level?

Hon. Mr. Irvine: Mr. Chairman, unfortunately the hon. member for Ottawa Centre wasn't here before, because I did go through a pretty detailed analysis of the programme itself, the municipalities that have received assistance and the people who can receive assistance.

We have $10 million established for the Home Renewal Programme. We have, as we have said before, the need to preserve 100,000 housing units per year, as we estimate right now. We have this loan grant administered by the municipalities. The municipalities themselves are paid $150 per application to process the fund. The interest rates vary from zero to eight per cent depending on the income of the family. As far as we're concerned it has been universally accepted throughout the province as being an excellent programme to preserve housing stock.

We want to find out whether or not there is a demand from the municipalities for more funds for next year. If there is a demand we'll adjust our funding. At the present time, I think it's a little too early to prejudge whether $10 million is too little or too much. We think it's a very adequate amount of money.

Whether it was announced in the early part of the year or not, or when it was announced by myself is not too relevant, except to say that when I announced it, it was because of a change in some of the criteria. This is the reason why I made a speech in London, Ont., of which the hon. member may have got a copy—I think he did—and every municipality in Ontario received the details of the programme. The guidelines have been out for some while.

To me, it is something which each municipality should take very seriously, and some of them have.

Mr. Cassidy: That's fine, Mr. Chairman, but the point I am making is that it has taken 3½ years for the government to move from the policy paper, which I think was called—the minister's people can remember it—but it was a programme for renewal or renovation of existing property in Ontario, which was introduced at a conference at the Chateau Laurier in Ottawa about 3½ years ago.

It takes that long to get started and to get to the point where money is allocated. We are now near the end of the calendar year 1974. I'm not sure if some of the first grants have been made yet. Have they? Has

any money actually poured out under the programme yet?

Hon. Mr. Irvine: Yes, it has.

Mr. Cassidy: How much?

Hon. Mr. Irvine: I guess I will have to go all through it again, Mr. Chairman. But I want, first of all, to make clear that the time is not 3½ years. We only worked on this programme since the latter part of last year and the first part of this year. So the time, I think, is very limited. We have given to the following municipalities: Brantford, an allocation for 1974-1975—

Mr. Cassidy: Perhaps the minister would permit me to ask a question.

Hon. Mr. Irvine: All right.

Mr. Cassidy: I'm asking whether any money has actually got into the hands of individual homeowners. I know about the allocation to the municipalities.

Hon. Mr. Irvine: Mr. Chairman, I will answer that, if I could, in a minute. I'd like to explain what happens. We have given an allocation to Brantford of $184,335; we have advanced $46,084. We have an allocation to Cornwall of $134,016; the accountable advance is $33,504. Niagara Falls, total allocation of $196,340; accountable advance $49,085. Windsor, allocation of $398,500; accountable advance is $99,625. Grimsby, allocation $47,256; accountable advance $11,814. Sarnia, $164,346 of an allocation; accountable advance is $40,000. Napanee, $44,540 of an allocation; accountable advance $11,135. Hamilton, $607,588; accountable advance $151,897. St. Catharines, an allocation of $224,598; the accountable advance is $56,150.

Mr. Cassidy: This isn't what I asked.

Hon. Mr. Irvine: What happens in regard to the moneys going from the municipality to the homeowner has to be decided by the municipality. They are the ones that decide what homes are to be renovated or rehabilitated. Whether or not those funds have been spent, I'm not in a position to say. It's entirely up to them.

Mr. Cassidy: Thank you. The answer of the minister is, he doesn't know. Those renewal programmes could have begun this year if the funds had come out of the ministry earlier. Sure, the ministry picked the programme up off the shelf some time in the spring. But it was there on the shelf three years ago. The need was there then. It was there a long time before that. During the time that this government has been in power, the need has obviously been there and been increasing.

Hon. Mr. Irvine: We are obviously not talking about the same thing.

Mr. Cassidy: Sure. But the point I want to make and which the minister has so carefully avoided is that 3,700 units in a year is damn little when you are talking about at least 100,000 units in the province that are in need of renovation and when you are talking about an additional number of units which may be falling into the state of disrepair where they need renovations in every year. With a couple of million units in the province, if only one or two per cent of those units are falling into disrepair in the course of a year, that's 20,000 and you are only providing funds for the renewal of 3,000 or 4,000.

Hon. Mr. Irvine: Mr. Chairman, could I ask the member if he would be kind enough to tell me whether he is talking about a report put out by a Mr. Lawson called "Maintenance of Property"?

Mr. Cassidy: Yes.

Hon. Mr. Irvine: I thought so. "A programme for Ontario"?

Mr. Cassidy: Yes.

Hon. Mr. Irvine: All right. Well, this is an entirely different programme.

Mr. Cassidy: Yes?

Hon. Mr. Irvine: And I think it's quite successful. I think it will be more successful once people are more aware of it. But again I say to you that it's very difficult for me to tell you tonight how much has been expended by the municipalities themselves on the homeowner. That will come in in due course but I don't thave those figures for you today.

Mr. Cassidy: Well, okay, Mr. Chairman. One of the points to be made, of course, is that in "Housing Ontario" reference is made specifically, I think, to the Ontario Home Renewal Programme and others resulting in repairs to 3,750 units during the course of the current year. The minister, as far as he is aware, doesn't know of a single unit which has been repaired yet.

Hon. Mr. Irvine: Mr. Chairman, let me make it awfully clear to the member that

this programme was designed in co-operation with the municipalities. All right.

The municipalities took considerable time to tell us exactly what they felt should be the criteria for the programme. We have proceeded after having full consultation with them. They in turn have to decide how to implement the programme and I hope that this will be done very speedily; in most cases it has, as I understand it. So I feel, contrary to what the member has said, that this is a most successful programme.

Mr. Cassidy: Mr. Chairman, we welcome the programme, we support the programme. We deplore the delay in the programme. We deplore the fact that when there is such a substantial need for lower-income housing in the province and when that is being met so badly by the policies of this government, that more is not being done to upgrade the standard of existing older housing in the province.

The next thing I would like to ask the minister is this. He's made quite a good deal of play of the fact that the lot approvals by the plans administration branch have been going up. It's a bit like the Treasurer (Mr. White) with the triple-A rating down in New York, not bothering to mention that a large number of other jurisdictions also have had triple-A ratings for some time.

Interjection by an hon. member.

Mr. Cassidy: Because many of the lots which have been approved in the past have never come to development, there is a kind of a bank of lots there for which subdivision approvals have been given, but which for various reasons don't get developed. It's quite customary for the number of approvals in any particular year to exceed the number of lots that are actually developed.

While we welcome the speedup in the minister's approvals, I am curious to know whether the ministry is monitoring in any way the use of those lots after they have been approved; and whether in particular the ministry has evidence, as has been turned up in Brantford and other parts of the province, about lots deliberately being held off the market in order to keep the price of urban residential land at a high level.

Hon. Mr. Irvine: Mr. Chairman, what we were talking about when I mentioned that certain figure of approvals was draft approvals, which, as I mentioned before, will exceed 100,000 this year—the exact figure I have given out. As to the actual development of those, this agreement has to be reached between the owner of the land, and/or the developer, and the municipality.

In many cases it could be that the municipality has imposed certain conditions which the developer is not willing to accept. Or it could be that, because of the high cost of mortgage funding at the present time, the owner or developer is unable to proceed with the servicing and the ultimate building of housing.

As far as we are concerned in the government, we have at least cut through any regulatory obstacles we have had in the past; we have made sure that the staff for the plans administration division has at all times been on its toes to make absolutely sure that these draft approvals were achieved with the full co-operation of all those concerned. When I say that, I am talking about the ratepayer groups, the local elected council, and any other appointed body or any other provincial ministry.

Mr. Chairman, I don't think that at this particular time we can force any municipality to proceed with a development unless it wishes to. This is something which has to be worked out between the owner of the lands and the proposed developer. At that time I believe this is something which, hopefully, we can assist on. I have tried to assist development of certain approved lands by talking to the municipalities and talking to the developers and trying to come up with a reasonable solution to some of their problems—but I certainly can't resolve all of them.

Mr. Cassidy: How many lots are there—equivalent housing units—for which draft approvals have been given in the urban areas of the province, but which are not right now proceeding to development? How many lots are there sitting there in the kind of private landbank that developers have built up?

Hon. Mr. Irvine: What we have mentioned before is that there were 101,755 residential units in the unused stock of draft approvals at the end of September of this year. I don't have any further information past September, but I believe that is up to date in regard to the number of draft approvals, which I mentioned before. This is almost twice as many as last year. Therefore, I am saying to the member that we have certainly proceeded forthwith to get these draft approvals before those who wish to proceed with development in any area.

Mr. Cassidy: In Brantford the other day an alderman was saying—which we know from

other areas, too—that one of the two developers at the present time was simply holding land off the market. This has been the case with the allocation of the trickle of land on to the market in areas like Oakville and around Metro Toronto, and in other parts of the province as well. Is the minister monitoring that activity, and is the minister aware of the way in which developers are using that kind of controlled market in order to keep prices higher than they ought to be, at the expense of the purchaser or tenants of property that is ultimately developed?

Hon. Mr. Irvine: As I indicated just briefly, I have been talking to developers, to owners, to municipalities, to everyone concerned. We have to recognize, I believe, that with today's interest rates there are not too many developers wanting to hold lands back. I think there is a very large cost in regard to their particular financial position.

If they have their land draft approved and they can't get them serviced, or they can't proceed with them within a period of years, it's going to cost them an awful lot of money.

I don't know how we resolve this to the satisfaction of everyone. What I am trying to do is to ensure that where housing is very urgently needed, we are proceeding underneath OHAP agreements and in other ways to discuss with the parties involved how they might resolve their differences.

In many cases the municipalities have been levying fees which are excessive, in our opinion. Sometimes we try to have catch-up funds. This is not something which will help housing being developed in Ontario. Though there may be problems in regard to some developers holding lands back, I think that it has to be the opposite case where in this particular year and next year they will want to bring them on the market and get rid of them. They need their money to be continually in use rather than sitting in land.

There's no money in having land purchased for several years without any development on it, because of the fact that we have since the middle of this year introduced the land speculation tax. If there is going to be an increase in the land value, they are going to have to pay a tax on it. Possibly they did withhold the land previously, but I say now they will want to get it on the market and they have to improve it up to 40 per cent, and they will if they can. In some cases, they have not reached agreement with the municipalities involved.

Mr. Cassidy: The minister ignores the fact that the developers are exempt from the tax unlike other individuals in the province. Under normal laws of supply and demand, which the ministry claims to go by, one would expect the price of the land to fall. It's very curious that developers are so anxious to put their land on the market that fewer housing units are being built this year than last and fewer are projected for the year after that.

Hon. Mr. Irvine: Could I ask the member his definition of how the developer is exempt from the tax?

Mr. Cassidy: Sure, he is specifically exempted from the tax if he puts a house up on it or if he puts any other kind of unit on it.

Hon. Mr. Irvine. That's exactly the point I was getting at, that he's exempt if he brings the lot into production. That's what we want him to do and that's what we have, I think, assisted by giving draft approval to this number of units. What I thought you were referring to was the developer not bringing the lots into production. Was that not the point you are making?

Mr. Cassidy: But he doesn't need to anticipate paying the tax. If he has a landbank that he intends to eventually develop at a very high price, then he will not pay the tax. In that he is separate from a private individual or from a speculator who does risk the tax because he won't develop it personally.

Hon. Mr. Irvine: We still have the point of his money not being liquid at the time, and I think it's a very valid point.

Mr. Cassidy: I want to raise a couple of other questions. I am trying to touch these points quickly, Mr. Chairman. The first is has any assistance been given to municipalities under the special planning grants which related to review of official plans and zoning bylaws required from changes in provincial housing policies? If so, can the minister give details and also details about planning in the central Ontario region for which grants have been given?

Hon. Mr. Irvine: Yes, Mr. Chairman, I have given that detail to the House but would be glad to give it to the hon. member.

Mr. Cassidy: Perhaps he could let me have it. Then I won't ask for it here.

Hon. Mr. Irvine: Pardon?

Mr. Cassidy: I won't ask for it here if you read it in the House.

Hon. Mr. Handleman: It's in twice.

Hon. Mr. Irvine: I have. It's $500,000 of a total grant, plus the following municipalities: Alliston, Bruce, Geraldton, Collingwood – approximately 10 municipalities–with funding up to $7,500 and a minimum of $1,500. We intend to improve the planning throughout all of our municipalities in rural areas where they do not have adequate staff or the financial capability of proceeding with planning in the proper manner. As I stated before, I have read all these figures; I have also stated our policy. Maybe you might go through Hansard.

Mr. Cassidy: I am just a bit underwhelmed, given the kind of development pressures in an area like Markham in the riding of the member for York Centre. The amounts that you mention are simply underwhelming.

Hon. Mr. Irvine: When we mention Markham, we are talking about entirely different matters.

Mr. Cassidy: Those other municipalities face the same pressures only they are only a year or two away.

Hon. Mr. Irvine: Yes, and we have recognized that by giving special grants to those areas which are OHAP areas. We have contributed $100,000 towards studies for various municipalities. If you will give me a few minutes, I might be able to produce the figures for you. Mississauga was one.

Mr. Cassidy: We are coming later to the central York servicing scheme, which is why I don't want to raise it right now. But I think that the minister has to realize–

Hon. Mr. Irvine: If you give me a minute, I might be able to get the figures for you, because we are talking about two different programmes.

We have: Oakville with a grant of $10,000; Mississauga, $100,000; York region, $25,000; Halton Hills, $25,000; Brampton, $100,000; Whitby, $50,000; Newcastle, $100,000; the region of Durham, $90,000 for an economic base study, plus a preliminary engineering study of $62,500; Sault Ste. Marie, with a housing policy and planning study, $49,000; Gloucester, $30,000. That makes a total of $659,250.

We have been down to Markham; I was down with my deputy and others of our staff two or three weeks ago. I have indicated to Markham that if I received the request from them it would be favourably considered. To my knowledge, I haven't received it as yet. I expect I'll get it.

Mr. Cassidy: I am still a bit underwhelmed. I want to raise another question with the minister. Metropolitan Toronto was so shocked at the powers over housing which it received from the Legislature under the amendments to the Metro Toronto Act a few months ago that it is apparently on the verge of giving them back. The minister may recall that that particular amendment was fiercely opposed from this side of the House; it had raised enormous fears among various Metro councillors. We warned them that the quiet, secret deal that had been made between Paul Godfrey and the government would simply not work out and would prove to be counterproductive. And that is exactly what happened.

What are you intending to do about the very sweeping housing powers, in terms of housing policy, that were given to the Metro Toronto government just about six months ago?

Hon. Mr. Irvine: Mr. Chairman, what we intend to do is to meet in the very near future–about next week. I think the member has been away for a while.

Mr. Cassidy: Keeping in touch.

Hon. Mr. Irvine: Right. The last executive meeting of the council decided to proceed with a modified housing policy. The deputy minister and other staff will be meeting next week with Metro to proceed with this policy. I am not sure whether you have full knowledge of all that has happened down there, but I think you will find the original attitude that you were expressing has changed considerably, and I think you will find that they are going to be quite able to proceed with the housing policy.

Hon. Mr. Handleman: They agreed that we were right, finally.

Mr. Chairman: Vote 802 carried?

Vote 802 agreed to.

On vote 803:

Mr. Chairman: The hon. member for Thunder Bay–I promised him the floor a long time ago.

Mr. Stokes: Thank you very much. I have been very patient and I found I was rewarded. I am not going to repeat what I got out before I was ruled out of order, Mr. Chairman, but, I want to remind the minister that a former minister in this portfolio promised 100 homes–I see the northern core is coming to the fore here now–in unorgan-

ized municipalities to meet the needs of those people who weren't able to band themselves together and put the kind of pressures on for housing surveys. A good many of them were prompted by the pressure that was built up by the Métis and non-status Indian associations in many of the northern communities. As a result of the introduction of that programme by your colleague, who is sitting over there now with his spectacles off and who was the—

Hon. A. Grossman (Provincial Secretary for Resources Development): I am surprised you recognized me.

Mr. Stokes: —man who authored that. He promised 100 homes in one year. Now that was well over two years ago.

Hon. Mr. Grossman: Did I say that?

Mr. Stokes: Yes, you said that—and to date we have 20 homes in Minaki. Some are still unoccupied because of a breakdown somewhere along the line, and that was as a result of poor soil conditions, poor planning, settling of inadequate basements or foundations. As a result of that, it hasn't gone much beyond the 20. There is only one other programme you undertook; that was in Aroland, where there was a commitment to build between six and eight homes under the NOAH programme. Some of those are still unoccupied.

Now, let's assume that you have made an honest effort with the 26 to 28 units that were promised two years ago—but it is still a far cry from what was promised, and still falls far short of the need for some kind of housing in unorganized portions of northern Ontario.

I would like to have some kind of commitment from the minister that a commitment that was made two years ago will be lived up to and expanded upon to come much closer to meeting the need in unorganized communities where they can't muster the same kind of concerted effort that they can in some of the heavily-urbanized areas of the province.

The other programme that I want to talk about is the Housing North programme. That was a catch phrase. I am not sure who was the author of it—whether it was the minister who is now responsible for the Resources Development field or whether, in fact, it was your immediate predecessor, the man sitting on your left. However, there was a Housing North programme promised for unorganized communities and unorganized settlements in the north. Is it still just a vision, a northern vision, or have you progressed to the stage where you are able to commit yourself to a certain number of units or a certain number of dollars?

I was just thinking, when you were answering questions put to you by my colleague, the member for Ottawa Centre, that even if you had used the $600,000-odd in an actual Housing North programme that you are using strictly for planning and surveying of housing needs in the south, it would have gone a long way to meeting the needs of some of the people in unorganized communities in the far north that need it so badly.

I am not going to prolong this because of the time constraints that are put on us. If you can give me answers or some kind of commitment that you are going to try in a realistic way to meet the housing needs of people in unorganized communities in the north, I will say no more.

Hon. Mr. Irvine: Mr. Chairman, I am very sympathetic with the views of the member. I have to go back to the record. As I understand it there were 100 units planned for production. Canadian Instant Buildings Ltd. contracted to suplpy 100 prefabricated units to OHC in July of 1973.

Mr. Stokes: And they went bankrupt?

Hon. Mr. Irvine: Yes. Owing to financial difficulties, the company was unable to meet its commitments. Village Square took over the operations of Canadian Instant Buildings.

Mr. Stokes: And they, too, went bankrupt.

Hon. Mr. Irvine: Recognizing the need to obtain a reduction of the units as quickly as possible, OHC in early 1974 rescinded the contract and awarded it to Village Square Ltd. to try and erect 50 prefab houses in six communities selected for the NOAH programme. We also had a proposal call for an additional 50 units, which closed on Aug. 2, 1974. The contract has been awarded to Northland Trailers.

Mr. Stokes: They were the ones who got an ODC loan.

Hon. Mr. Irvine: I have been informed that units have been started or will have started in the following municipalities: Spanish, 10 units; Foleyet, eight units; Hudson, 12 units; Savant Lake, eight units—I'm having problems with this next one, but there are 10 units there—

Hon. Mr. Grossman: It is written in Cree.

Hon. Mr. Irvine: —Aroland, 10 units; Nakina, eight units; Sioux Lookout, six units; Sultan, 10 units, for a total of 82.

The one I couldn't make out looks to me like D-i-n-o—

Mr. Stokes: Dinorwic.

Hon. Mr. Irvine: Is it? All right. Thank you.

So we recognize that we haven't proceeded as quickly as the hon. member would like. I would also appreciate receiving his views as to what we could do. I think we have to proceed in this direction to implement housing, but I haven't been able to do it as quickly as I want to. I admit that.

Hon. Mr. Grossman: You'll just have to keep your fingers crossed.

Hon. Mr. Irvine: What I am saying to you is that this is a programme to which we have devoted considerable time. We have not done as well as we would have liked, but we hope to improve to your satisfaction.

Mr. Stokes: All right. I don't want to prolong it. I am aware that there are some foundations in at Nakina, but there were no homes on those sites the last time I visited the area. I also know of an effort to construct some homes in Savant Lake, since I visited the site. All I'm asking is that you do more to meet the needs and do it faster.

I want to get into one specific item that may sound piddling, but it may just be the tip of the iceberg. I'm talking about the amount of money that is required to construct housing units and related services. I'm thinking of one community in particular, Savant Lake, where it is extremely difficult to find a site that lends itself to housing or any other kind of construction because of the soil conditions.

I am advised that it cost OHC $16.50 a cubic yard to bring in aggregate from several miles distant in order to provide an adequate field for a septic tank system in that community. That might sound all right in Metropolitan Toronto, but it sure doesn't sound all right to people in Savant Lake, where there are literally miles and miles of good porous gravel. As a matter of fact, one of the best airstrips in all of the north was built by a private developer on a natural sand eskar not three miles from Savant Lake. Yet your ministry, for whatever reason, chose to build on a site where it was necessary to transport crushed aggregate some 50 miles at $16.50 a cubic yard in order to provide an adequate septic field. I think there had to be 5 ft of coarse gravel under the septic field and an 18-in. covering on top of the piles. As I say, it may sound piddling, but it's almost impossible for me to justify that to people in Savant Lake who are waiting for these kinds of houses.

All I'm suggesting is that maybe you should monitor what's going on in the various communities and see that you're getting value for your money. I'm not saying it applies all over, but in that particular instance I think you should take a look to make sure that the dollars you are spending are being put to good use and that we collectively, as taxpayers and as a government, are getting value for our dollar.

That's the only kind of advice I would like to give to the minister at this time. As I say, it may be a very isolated instance, but it leaves a bad taste in everybody's mouth when they see dollars spent in that way when housing is at such a premium. We're not criticizing what the minister is doing. All we're saying is that you're doing it too slowly and you're not doing enough of it, so please hurry it up.

Hon. Mr. Irvine: Mr. Chairman, I'm delighted the hon. member has brought this incident to my attention because it is something which doesn't on the surface appeal to me one iota. I say I'll look into it immediately. I'll have a talk with you as to why it happened and we'll endeavour to assure you that we supply at the cheapest possible price in your area and every other area. This would seem to be exorbitant from what you have said.

Mr. Cassidy: The Housing Action Programme, Mr. Chairman.

Mrs. Campbell: It is my prerogative.

Mr. Cassidy: Do you wish to go ahead? Please go ahead.

Mrs. Campbell: I will be brief at this point. I have made my opening statement based on the Housing Action Programme in part. The minister, if I may remind him, stated that he would address his replies when it came to this vote. If he is prepared to do so, I shall not belabour that question again.

Hon. Mr. Irvine: Mr. Chairman, I have the full details with me and I'm glad the hon. member for St. George brought it again to my attention. I'd hoped also that we might get into the other matter that was raised this afternoon which I said I would bring back to the House. This is a lengthy reply.

Mr. Bullbrook: Is this the matter you were thinking of?

Hon. Mr. Irvine: Yes. I think it's important that—

Mr. Bullbrook: Very interesting.

Hon. Mr. Irvine: —we get all the details. I hope the hon. members will listen to what I have to say.

With regard to the OHAP proposals and OHAP agreements, first of all, the W. B. Sullivan Ltd. and Deltan Realty agreement. There are 705 condominium apartment units at Finch and Leslie in North York, of which 136 are one-bedroom units, costing $28,430, which can be acceptable to and carried by those who have an income of approximately $11,250. There are 468 units with two bedrooms at a cost of $34,490 for those with a $13,200 income. We have 95 units with three bedrooms at a cost of $42,570 for those in the $16,250 income bracket.

I want to make sure that we understand that 55 of the two and three-bedroom units will go to HOME for those in the $8,000 to $14,500 income range at an average cost of $28,125, which in my opinion is excellent. These are already under construction.

Now we go into the next proposal.

Mr. Cassidy: Are all 700 under construction in this case?

Hon. Mr. Irvine: Yes, they are all under construction.

Mrs. Campbell: The figures that I had were 699 units in North York, some of them already renting. How do these relate to these figures you are giving us, because they were simply refinanced under OHAP, having been practically completed?

Hon. Mr. Irvine: My information is contrary to what the hon. member said. I just want to give to the House my information. The building was never occupied and the building was never advertised until last week. It was advertised in late October as a condominium with units affordable by families earning $13,200 to $16,250. That's the answer to the statement you have just made.

We go into the next agreement, which is 282 townhouse units at Warden and Cass in Scarborough at an average cost of $42,829.50 per unit, for those with an average income of $15,800. All of these are three-bedroom units.

Two hundred and forty-seven units are offered as follows: one-third, or 83 of the units will be available for the $14,500 to $16,000 income range; one-third, or 82, will be available for the $16,000 to $18,000 income range; one-third, or 82, will be available for the $18,000 to $20,000 income range. Thirty-five units will go to the HOME programme for the $8,000 to $14,500 income range, at an average cost—again an excellent cost—of $28,125 per unit, for an average income of $11,250. These units are to be started prior to Dec. 31, 1974. I say again to all hon. members that this is an excellent bargain at anybody's level in regard to this particular area or in Metro Toronto.

The next agreement is 45 townhouse units at Birchmount and Huntingwood in Scarborough at an average cost of $42,829.50 per unit, for an average income of $15,600. Again, all are three-bedroom units. Thirty-seven units are offered as follows: one-third, or 13 of the units will be available to the $14,500 to $16,000 income range; one-third, or 12, will be available for the $16,000 to $18,000 income range; one-third, or 12, will be available for the $18,000 to $20,000 income range. Eight of the units will go to HOME for the $8,000 to $14,500 income range, at an average cost of $28,125, for an average income of $11,250.

Now we go into 548 townhouse units at John St. and Bayview Avenue in Markham. All are three- or four-bedoorm units. These uniits have been presently appraised by Ontario Mortgage Corp.

Mr. Cassidy: Are they built?

Hon. Mr. Irvine: No. These units will be started prior to Dec. 13, 1974.

Mr. Cassidy: Are the foundations dug, then?

Hon. Mr. Irvine: No.

Four hundred and eighty-eight units are offered as follows: one-third of the units, or 163, will be available for the $14,500 to $16,000 income range; one-third, or 163, will be available for the $16,000 to $18,000 income range; one-third, or 162, will be available for the $18,000 to $20,000 income range. Sixty units—and this is important—will go to HOME for the $8,000 to $14,500 income range, at an average cost—again a very low figure—of $28,125, for those with an average income of $11,250.

We go to Brampton, where we have 200 single-family units.

Mr. Cassidy: Excuse me, Mr. Chairman. Would the minister say what the monthly charges are for principal, interest and taxes, heat and utilities on each of these units? Just give an example in each case. I think that would be more instructive than just giving the income ranges.

Hon. Mr. Irvine: Well, this is something which is impossible for me to give tonight. I would have to go to the municipalities, for instance, to get the taxes. But I will give you some answer tomorrow, if at all possible.

Let me proceed to the member for St. George. I think I owe her that response to finalize this particular matter.

We have 200 single-family units in the residential 10 area of Brampton. One hundred and eighty of these units are awaiting Ontario Mortgage Corp. appraisal and are offered as follows: one-third, or 60, of the units will be available to those in the $14,500 to $16,000 income range, and the same formula as the one before will apply, except for the 20 units going to the HOME programme for those in the $8,000 to $14,500 income ranges, at an average price of $28,125. These are to be started prior to March 31, 1975.

We have a total commitment of 1,780 immediate units of which 178 are to be for HOME. We have a future commitment of 5,000 units under the same income ranges from the same developer. We have Bramalea Consolidated in Bramalea, adjacent to the city centre. We have a 210-unit apartment building as follows: 17 units, one-bedroom, at a cost of $32,950 for the income range of $12,200.

Mr. Cassidy: One-bedroom?

Hon. Mr. Irvine: One-bedroom, sorry?

Mr. Cassidy: One-bedroom.

Hon. Mr. Irvine: We have 104 units, two-bedroom, costing $34,950, for the income range of $12,750. We have 71 units, two-bedroom, at a cost of $35,950 for those in the income range of $13,200. We have 18 units of three bedrooms at a cost of $37,995 for those in the income range of $13,880. This building is under construction. Completion is expected by June 30, 1975.

We have a further 211-unit apartment building with 18 units of one bedroom at a cost of $33,450 for those in the $12,350 income range. We have 104 units, two-bedroom, at a cost of $35,450 for those in the $13,000 income range. We have 71 units, two-bedroom, at a cost of $36,450 for those in the $13,350 income range. We have 18 units, three-bedroom, at a cost of $38,500 for those in the $14,050 income range. This building also is under construction. We expect it to be completed in July, 1975.

Underneath this agreement we have a total commitment of 421 immediate units. We have a future commitment of 1,900 additional units in Brampton's Residential 10, of which 10 per cent will be HOME units, as well as acceleration of the limited dividend rental projects in conjunction with OHAP in Bramalea city centre east.

Mr. Chairman, I want to correct what I might have misread before. The total commitment is 421 immediate units, and I might have said a further 421.

We go into the next agreement, Campeau Corp., which has 135 townhouse units in Blossom Park, Albion Rd., city of Ottawa, which has 120 units, three-bedroom, at a cost of $34,235 to a maximum of $36,750 for those in the income range of $13,000 to $14,000. There are 15 units of four bedrooms at a cost of $38,350 to a maximum of $41,000 for those in the income range of $14,500 to $15,300. This building is under construction.

Mr. Cassidy: Also under construction?

Hon. Mr. Irvine: Yes.

Mr. Cassidy: Was it under construction prior to the agreement?

Hon. Mr. Irvine: I am sorry, I can't tell you at this time. I'll find out for you.

We have 177 condominium apartment units in March township, Teron Rd., which has 17 units, one-bedroom, at a cost of $28,324 for those in the $11,000 income range; 117 units, two-bedroom, at a cost of $34,757 for those in the $14,600 income range; 43 units, three-bedroom, at a cost of $41,321 for those in the $15,400 income range.

We have a future commitment from Campeau of 1,300 units by 1976, of which 10 per cent will be HOME. And we also have 2,800 acres committed by Campeau, of which 10 per cent will be HOME.

We have Minto Construction in Ottawa and 206 apartments at Britannia Bay in the city of Ottawa with 166 units, two-bedroom, at a cost of $37,400 to a maximum of $38,400 for those in the income range of $14,000 to $14,300. We have 40 units, three-bedroom, at a cost of $45,400 for those in the $16,800 income range. This building is also under construction.

We have a future commitment of 600 units in Orleans and 1,600 units in Nepean, of which 10 per cent of these will be HOME.

We have in Oshawa an agreement with Tilio and Gata for 92 garden apartment units at Taunton and Mary streets. There are to be 25 units, two-bedroom, at a cost of $38,000 for those in the $14,250 income range; 67 units, three-bedroom, at a cost of $39,800 for the $15,000 income range. These are to be started prior to Dec. 31, 1974.

Under the same developer, we have 58 stacked townhouse units at Colborne and Mary streets in Oshawa, with eight units, two-bedroom, at a cost of $43,750 for those in the $16,250 income range. The remaining 50 units are three-bedroom at a cost of $45,250 for those in the $15,800 income range. These are to be started prior to Dec. 31, 1974.

We have a future commitment of 292 units in 1975, of which 10 per cent will be HOME. In Oshawa, we have an agreement with Robert Mason Construction Ltd. for 119 townhouse units. There are to be 59 units with two bedrooms at a cost of $37,600 to a maximum of $37,900 for those in the income range of $14,250; 60 units of three bedrooms at a cost of $39,700 to $39,900 for those in the income range of $14,600. These are to be started prior to Dec. 31, 1974. And this is a small builder, by the way.

We have an agreement in Oshawa with MT and D Developments Ltd., for 44 stacked townhouse units. We have 32 units of two bedrooms at a cost of $36,309 for those in the $13,800 income range. We have six units of three bedrooms at a cost of $39,675 for those in the income range of $14,850. We have six units of four bedrooms at a cost of $42,176 for those in the $15,600 income range. These, again, are to be started prior to Dec. 31, 1974; another small builder.

So, Mr. Chairman, a summary of the units which we have signed—3,033 units. Of these, 1,620 units are for incomes under $14,500; 178 units of these go to the HOME programme for incomes between $8,000 and $14,500; 153 units for incomes between $11,000 and $11,250; 243 units for incomes between $12,000 and $13,000; 780 units for incomes between $13,000 and $14,500. We have 1,411 units for incomes between $14,500 and $20,000 as follows: 667 units for incomes between $14,500 and $16,000; 444 units for incomes between $16,000 and $18,000, and 300 units for incomes between $18,000 and $20,000.

With everything which I have stated tonight and previously, we have far exceeded the proportion that we originally set out to maintain, which was 60, 30 and 10. I want to say to the hon. members, of the number of units which I have just summarized, approximately 38 per cent of the total units will be priced to the HOME programme instead of the 10 per cent which are units for those in the income range of $8,000 to $14,500. The remaining 1,856 units will meet incomes of $14,500 to $20,000. The figures are based on a 30 per cent gross household income expenditure, including interest, principal and municipal taxes.

Mr. Chairman, we are very encouraged with the income mix which, as I mentioned, goes far beyond our own objectives. Our goal in these agreements is to reduce the price and to accelerate completion of the units, which is in keeping with the original policy we established for the programme. I am very much encouraged by this first announcement which we made. I have the full intention of announcing in the near future another agreement or several, depending on how many I have available at the time. I want to say to you that OHAP, in my opinion, has certainly gone a long way to fulfilling a particular need for those in the low and medium bracket.

Mrs. Campbell: I regret that I am not very good at getting all the details through my head in a lengthy statement of that kind. I wonder if the minister could provide a copy of his statement to me. I won't belabour the matter but there are so many discrepancies. I wonder if the municipalities and the developers are aware of these figures that you are giving. May I give you an example? You stated, as I understood it, that in Markham the units would be started this year. The information that we had, and I'm not sure of the number you gave—I had 550 units—

Hon. Mr. Irvine: It was 548.

Mrs. Campbell: All right, I'm sorry. I had 550. Our information is that the land is not serviced; the subdivision has not been approved; and there is no way these units can commence this year. I would also point out that the minister did make the statement that in those cases where there was refinancing under the OHAP programme, this was done, if I'm quoting him correctly, in order to expedite the buildings which would not have been completed otherwise. If I'm not accurate in that quote, I'm open to being corrected.

My information about the 421 units in Brampton—which seem to be counted twice

on your statement, but I won't be sure about that till I see it—is that they were practically completed, and that the 699 units in North York were all but complete and some of them were renting. So if these are being included as part of the 3,033 for this year, then we go back to the Stanley Randall game of counting in Toronto's housing as a great housing gain for OHC.

I won't go into the others, but in Scarborough, for instance, our information was that there would be about 30 HOME units there. The figures you gave me, as I tried to take them down, were larger than that, as I understand it.

I just can't account for these discrepancies between what the municipalities and the developers tell us and your figures. Perhaps if I see the statement I will be able to equate some of this.

Hon. Mr. Irvine: Yes, well I will be very glad to provide the figures and the statement I have read from tonight. I will be happy to make sure that there is no discrepancy.

I replied to you about the North York situation. As far as Markham is concerned, I spoke personally to the mayor, and building permits are to be issued or already have been issued for some of the sites that have been serviced. So I have to ask you and my officials to determine who is right and who is wrong. I only can go by my information, and in talking with all the mayors involved in all the agreements that were brought before the House, it was indicated to me that the municipalities were quite prepared to issue building permits and to proceed with the proposals.

I also indicated that the proposals brought forward would not have been as good as they are, without the help of mortgage funding at a reduced rate; it is something that is very necessary to bring these units on to the market.

There is absolutely no way that anyone can say that these proposals are not excellent as far as those who are going to be living there are concerned. The prices I have read out to you tonight cannot be disputed.

Mr. Cassidy: They certainly can.

Hon. Mr. Irvine: They cannot be disputed in terms of the price range in Toronto or in any of the other places.

Mr. Cassidy: It is a disastrous result of your housing policies. There is no housing available at a reasonable cost.

Hon. Mr. Handleman: It is working. That's the problem.

Mr. Cassidy: What do you mean it is working?

Hon. Mr. Handleman: It's working, and that's the problem.

Hon. Mr. Irvine: The member for Ottawa Centre has absolutely no idea about the cost of housing. He has been campaigning in New Brunswick and all around the world, and I must say his party made a poor choice—

Mr. Cassidy: It had a pretty shocking effect on your party, didn't it?

Hon. Mr. Irvine: I wonder why anyone would ever send him as a campaigner—

Mr. Cassidy: We did pretty well in Stormont.

Hon. Mr. Irvine: Why don't you get down to facts and realize that we really have a bargain here because of the co-operation between developments, the government and the municipalities? And we are going to continue to proceed in this fashion—

Mr. Cassidy: That is nonsense. It really is.

Hon. Mr. Irvine: The only nonsense right now is coming from the member for Ottawa Centre.

An hon. member: There's nothing new about that.

Hon. Mr. Handleman: Why doesn't he ask the reeve of Gloucester?

Mr. Cassidy: I just want to say a couple of words before the debate closes, although we will continue this tomorrow. I want to say that the Ontario Housing Action Programme has been revealed tonight as a fraud—nothing more than a fraud.

Hon. Mr. Handleman: It's working so well you are irritated about it. You can't stand a successful programme.

Mr. Cassidy: If you want to go back to the record, Mr. Chairman—I have a minute to speak here—last year at this time the Premier said he hoped there would be 30,000 or 35,000 serviced lots in 1974-1975 under the Housing Action Programme. The purpose of the programme, we were told, was to increase significantly the production of new housing available to families of low and moderate incomes.

Moderate family incomes in this province are under $14,000, and you may as well forget it. A thousand units or so, many of them one- or two-bedroom—which are simply not suited for a family with two or three young children and another on the way—and the housing that is coming in, are costing $4,000 a year or more by the minister's figures. The ministry has failed. The number of units provided—3,000—is a pitiful response to the housing problem we have in the province. There is nothing here for young families; I would suggest that the minister send a copy of his statement tonight about the price of these units and what it costs to afford them to every young family across the province and he'll find out that they will not support the Conservative government in the next election, or ever again. You've failed!

Mr. Chairman: Does vote 802 carry?

Mr. Cassidy: No, we want to go on with it, Mr. Chairman.

Hon. Mr. Irvine: Mr. Chairman, before we adjourn, the member has made some remarks as to the quotes of the Premier and I think the member is absolutely wrong. I know he's absolutely wrong. The number of units that were promised for this fiscal year and for next year—

Mr. I. Deans (Wentworth): Where were you? You weren't even there.

Mr. Cassidy: You promised 10,000 for this current year.

Hon. Mr. Irvine: You are absolutely wrong again. You have absolutely no facts in front of you. Take "Housing Ontario/74," turn to the proper page and get your facts straight and we'll continue the debate tomorrow.

Mr. Chairman: Order.

Hon. Mr. Handleman: I thought you would have memorized that page by now.

Hon. Mr. Winkler moves the committee rise and report.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report certain resolutions and asks for leave to sit again.

Report agreed to.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Before I move the adjournment of the House I would just like to say we'll continue with this debate tomorrow.

Hon. Mr. Winkler moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10:30 o'clock, p.m.

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Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Ninth Legislature

Thursday, November 14, 1974

Afternoon Session

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

THE QUEEN'S PRINTER
PARLIAMENT BUILDINGS, TORONTO
1974

Price per session, $10.00. Address, Clerk of the House, Parliament Bldgs., Toronto

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Daily index of proceedings appears at the back of this issue. Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff (Phone: 965-2159).

LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, NOVEMBER 14, 1974

The House met at 2 o'clock, p.m.

Prayers.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Mr. Speaker, if I may, before I read a statement to the House, I would like to inform you and the members that we have with us today three distinguished members of other provincial legislatures: the hon. Russell Paulley of Manitoba, Minister of Labour and Civil Service; the hon. Earle Hickey of Prince Edward Island, Minister of Finance, and the hon. Allan Sullivan of Nova Scotia, the Attorney General for that province.

Mr. Speaker: Statements by the ministry.

CSAO NEGOTIATIONS

Hon. Mr. Winkler: Mr. Speaker, I reported to the House on Nov. 12 on the government's concern over the delay occasioned by the CSAO in the contract negotiations for the operational services category. The members will recall that for reasons of its own the CSAO was intending to poll the employees on the government's initial offer well before the parties had engaged in the normal hard bargaining process. According to more recent press reports, it now appears that the CSAO intends to use this ballot to secure a mandate to call an illegal strike. It also has been reported that the CSAO's negotiating committee intends to recommend rejection of the government's initial offer. If these reports are correct, Mr. Speaker, this would clearly be a loaded ballot—a ballot which would trick employees into voting against their own interests, whichever way they voted.

Mr. I. Deans (Wentworth): That is an attempt to intimidate the employees.

Mr. S. Lewis (Scarborough West): The minister doesn't know what conciliation means.

Mr. Speaker: Order, please.

Hon. Mr. Winkler: By voting against the recommendation of the union leadership, an employee would be voting—

Interjections by hon. members.

Mr. Speaker: Order, please. The minister has the right to read his statement.

An hon. member: He doesn't have the right to intimidate employees.

Mr. J. A. Renwick (Riverdale): Or to get up every day and read one of his inflammatory statements.

Mr. Lewis: On a point of order, Mr. Speaker.

Mr. Speaker: State your point of order.

Mr. Lewis: This minister attempts to arrange a confrontation with the civil service using this House, and we object to it.

An hon. member: That's right.

Mr. Speaker: That's not a point of order.

Hon. Mr. Winkler: I'll comment on that later on. To continue: —an employee would be voting to accept what he would know is not the employer's best or final offer. By voting in favour of the recommendation, the employee—

Mr. Deans: Then why doesn't the government make another offer?

Hon. Mr. Winkler: —would run the risk of handing over to the bargaining committee—

Mr. Renwick: Then get to the bargaining table.

Hon. Mr. Winkler: —of some 20 members the determination of whether to call an illegal strike.

Mr. Deans: Make another offer then.

Hon. Mr. Winkler: However incredible it may seem, Mr. Speaker, the newspaper reports would suggest that the CSAO is prepared—

Mr. Lewis: That is called democracy, my friend.

Mr. Renwick: The minister sounds just like Karl Mallette sounded before the TTC strike.

Mr. Speaker: Order, please.

Hon. Mr. Winkler: —to place those employees who do vote in the invidious position of having no practical alternative other than to support an illegal strike.

Mr. Lewis: The minister knows nothing about collective bargaining.

Interjections by hon. members.

Hon. Mr. Winkler: If this is indeed the strategy of an element in the leadership of the CSAO—

Mr. E. W. Martel (Sudbury East): What is the minister's strategy?

Hon. Mr. Winkler: —it raises a clear question: Why would it not be to the advantage of the 19,000 employees in the operational category that they should be allowed a voice in determining their own best interest after bargaining has been allowed to run its course?

Mr. Lewis: It shows how concerned the government is.

Hon. Mr. Winkler: If the leaders of the CSAO are bent on such a strategy, Mr. Speaker, they will be acting in extreme bad faith.

Mr. Lewis: Oh, come on!

Mr. M. Cassidy (Ottawa Centre): It is a lot better than the government has ever done.

Hon. Mr. Winkler: Under those circumstances, I would say to them that the government will not be intimidated by such provocative and reprehensible tactics.

Mr. Renwick: The minister doesn't know what good faith means. His government never knew what it meant.

Mr. Lewis: What does the government want to do? Call an election?

Mr. Speaker: Order, please.

Hon. Mr. Winkler: Finally, Mr. Speaker, let me say, as I have said on other occasions, that I have the greatest respect for the people who work for this province.

Mr. Martel: The government sure has a good way of showing it.

Hon. Mr. Winkler: I want to assure these employees that, irrespective of any such irresponsible action by the leadership of the CSAO, the government's representatives will continue to negotiate in good faith, when that opportunity is accorded to them by the CSAO—

Mr. Renwick: One doesn't divide the leadership from the membership. That is the oldest bargaining tactic.

Hon. Mr. Winkler: —with the avowed purpose of achieving an equitable settlement as soon as possible. All that remains is for the CSAO to act responsibly—

Interjections by hon. members.

Mr. Speaker: Order, please.

Hon. Mr. Winkler: —on behalf of its members with due regard for the interests of the citizens of the province.

Mr. Renwick: Oh, let the minister take his seat.

Mr. Deans: That was disgusting.

Mr. Renwick: What programme is the minister withdrawing today?

Mr. Speaker: Order, please. Are there any further statements? The Minister of Energy.

HYDRO CAPABILITY

Hon. W. D. McKeough (Minister of Energy): Mr. Speaker, in view of a recent headline on Monday, Nov. 11, I think it was, in the Toronto Sun and questions which have been properly asked here, I thought it wise to make a brief statement on Ontario Hydro's ability to meet the winter electrical power demands in the province. This ability, of course, depends on several factors. The loss of an additional one or more of Ontario Hydro's largest generators and a prolonged cold snap could tax the system very severely.

On the optimistic side, Hydro is hopeful that at least one, and possibly two, of the five 500,000-kw generators now shut down may be returned to service by the middle of December. Hydro's overall capacity, including the five generators not presently in service, is 18.5 million kw. Anticipated peak demand, which comes traditionally in December, is forecast as 14.5 million kw. Hydro has been without the service of the five units, four at Nanticoke and one at Pickering, since summer. Their combined capacity is 2.5 million kw.

Just to review what has happened at Nanticoke, one of its generators suffered extensive damages during a fire and explosion last July 31. The remaining three units were

shut down as a precautionary measure. Investigation revealed the fire was caused by a failure of an end ring in a generator rotor. While tests on the other three generators have turned up no defects, short-term modifications are being made to reduce the risk of similar faults developing in other units. In the longer term, new end rings will be installed in all of Nanticoke's generators.

These modifications are being made and tested on one of the generators planned for future installation at Nanticoke by C.A. Parsons Ltd., the manufacturers of the generators, in the United Kingdom. Depending on these results, rings from the three other shut-down Nanticoke generators now in transit to England will be modified and returned to Nanticoke for installation. These modifications could make one or two generators available for service on a limited basis of 80 per cent capacity by mid-December.

During last July, Pickering's unit No. 3 was shut down to make some modifications to the turbine and to perform annual overhaul work. In August, prior to startup, a routine check revealed leaks in one or more pressure tubes in the heat transport system. Subsequent checks have discovered additional leaks. The small amount of heavy water escaping from the tubes is recovered in a special closed collection system and cannot escape to the atmosphere. The unit is not expected to return to service for several months.

It appears that the problem occurs during long shutdowns when the tubes are cold and pressurized. Hydro operating procedures have been altered to minimize duration of these conditions. At this point I should inform you that Pickering unit No. 4 will be shut down for two days this week for routine maintenance.

The leaking tubes are all made from a special alloy called zirconium 2½ per cent niobium, which is also used in Pickering unit No. 4 and will be used at the Bruce nuclear generating station. The current review includes inspection of the tubes at Bruce.

Regarding the coal situation, it would appear from this morning's press that the coal strike in the United States, if not settled, is on its way to being settled and certainly is not going to last as long as some thought it might. But regarding the coal situation, Ontario Hydro normally stockpiles its winter needs before the shipping season closes in late November. It did so this year. It will require 3.5 million to five million tons of US coal to operate its generating facilities this winter. By the end of the shipping season, Dec. 1, it will have on hand 7.5 million tons. This will more than carry it through any contingencies, such as a strike in the coal supply system.

Mr. Speaker: Oral questions.

CSAO NEGOTIATIONS

Mr. R. F. Nixon (Leader of the Opposition): Mr. Speaker, I'd like to put a question to the Chairman of the Management Board, further to the statement that he made a few moments ago.

Would he not consider that there is substantial bad faith, since he uses the phrase himself, in the sequence of events for which he is personally responsible? Since he not only implied but stated in his own statement that the offer put to the CSAO is not the offer that he expects to be accepted, surely that is bad faith. And wouldn't the minister agree that he is putting forward an offer which he expects to be rejected, rather than one which he expects to be accepted?

Hon. Mr. Winkler: Mr. Speaker, I must say not really. I think the offer was reasonable. I must say, since the hon. member is pressing the question, that we at no time concluded bargaining. We did not receive any initial reaction to that initial offer, if I might put it that way.

Mr. Lewis: They're putting it to the membership.

Hon. Mr. Winkler: Well, bargaining in good faith doesn't stop there in saying yes or no—

Mr. Lewis: No, but it's one part of the process.

Mr. Speaker: Order, please.

Hon. Mr. Winkler: —plus the fact that there was no reaction to our offer at all. We didn't know where we stood.

Mr. Lewis: When the government finally made an offer.

Hon. Mr. Winkler: As far as that's concerned, we are still willing to sit down at the table. There is no question about that.

Mr. R. F. Nixon: A supplementary: I'd like to ask the minister, since he himself is predicting a rejection, is he contemplating making an additional offer while there is still time before the civil servants meet in their meetings all across the province on Sunday? If he feels that it is going to be rejected, and

he can make a better offer, why doesn't he do it?

Hon. Mr. Winkler: Mr. Speaker, as I said, we are prepared to do that at any time, except that the negotiations stalled on that initial offer, because they wanted to take it to their membership.

Mr. Lewis: What's wrong with that?

Mr. J. E. Stokes (Thunder Bay): Doesn't the House leader believe in democracy?

Hon. Mr. Winkler: There is nothing wrong with that. But I'm saying to the hon. member that we are still willing to go to the table.

Mr. Lewis: Why does the House leader hold press conferences?

Mr. Speaker: Order, please. Your supplementary question?

Mr. Lewis: A supplementary: May I ask the minister, does he not appreciate that all that the CSAO is doing is putting to its membership the initial offer, indicating that it will continue collective bargaining and asking them whether they will grant the negotiating committee the right to call a strike on Jan. 1 if they have received no further offer from the government? What is wrong with that?

Hon. Mr. Winkler: Mr. Speaker, I want to say once again that we made our offer, and we left the negotiations open. The reason is that I am rather satisfied that the membership may not know the terms of our offer.

Mr. R. F. Nixon: Oh, boy.

Mr. Speaker: Any further questions?

Mr. R. F. Nixon: A further supplementary: Since the minister and all of us are so concerned about the turn of events, particularly as described by the minister, who has simply increased the acrimony in this confrontation, why would he not see that the amendments to the Crown Employees Bargaining Act are before the House now so that at least those people who are going to be meeting, at great inconvenience to many of them, will have an opportunity to assess the offer in light of the other matters which are troubling them so seriously and which have nothing to do with the money?

Hon. Mr. Winkler: Mr. Speaker, I think I have already said publicly that I am now discussing that with my colleagues. I am going to bring forth a response to their brief of some weeks ago. As a matter of fact, they know very well that we are going to discuss it with them before we put it into legislative form so we know that there is a degree of acceptance.

Mr. Speaker: Any further questions?

Mr. Deans: Mr. Speaker, a supplementary question: Given that the minister knows that this vote is going to be taken, why would he not now make what he calls his final and best offer to them in order that they could consider that rather than consider something else?

Hon. A. Grossman (Provincial Secretary for Resources Development): Let the negotiations carry on.

Mr. Deans: He has said he made his best offer.

Hon. Mr. Winkler: I would have to reiterate, Mr. Speaker, that we are prepared to sit down at any time. It is the CSAO leadership's plan to carry on this way, not ours. We consider that as bargaining in bad faith.

Interjections by hon. members.

Mr. Speaker: Order, please.

Mr. J. E. Bullbrook (Sarnia): Supplementary, Mr. Speaker.

Mr. Speaker: This will be the last supplementary.

Mr. Bullbrook: Mr. Speaker, in view of the comment by the Provincial Secretary for Resources Development—"Why don't we stay out of it?"—

Mr. Stokes: That's bargaining in bad faith.

Mr. Bullbrook: —may I put it to the minister through the Speaker: Why does the government continually bring this thing into the House and create more difficulty for itself?

Hon. Mr. Winkler: Simply, Mr. Speaker, because the negotiations, leading up to the time we sat down at the table, were carried on in the media, not in the House.

Mr. T. P. Reid (Rainy River): They tried to meet with the government.

Hon. Mr. Winkler: And we have certain agreements which we have lived up to.

Mr. Lewis: Make an offer.

Hon. Mr. Winkler: But I feel that this is acting in bad faith in regard to those agreements.

Mr. Bullbrook: If that was wrong, this is equally wrong.

Mr. Speaker: Does the hon. Leader of the Opposition have further questions?

Mr. Lewis: One last supplementary, if I may, to the minister.

Mr. Speaker: This will be the final supplementary.

Mr. Lewis: Does he not realize that he is systematically escalating the confrontation, that he is provoking 20,000 civil servants and that he is inviting confrontation by his behaviour? Does he not see that?

Interjections by hon. members.

Hon. Mr. Winkler: Mr. Speaker, I think that the leader of the NDP is doing exactly that. I believe that I am doing the right thing on behalf of the people of the civil service who have come to see me and on behalf of the people of this province.

Mr. Lewis: The minister doesn't represent the civil service. Boy, he and Bud Drury are a couple of cheap negotiators.

Mr. Speaker: The hon. Leader of the Opposition.

Mr. R. F. Nixon: With your permission, sir, a new question to the same minister on an allied subject—very closely allied.

Does it not concern the minister and those who so heartily pounded the desks in his support just a few minutes ago—there they are—that the Premier's (Mr. Davis) statement that he will not be intimidated, the procedures that the Chairman of the Management Board is using today and previously, and the attitude of the Conservative Party, as exemplified by the people who are splitting their desks with applause, would lead objective observers to think that the government is provoking an illegal strike?

Mr. P. J. Yakabuski (Renfrew South): Be responsible, for a change.

Hon. Mr. Winkler: Mr. Speaker, that is totally untrue. I haven't even discussed this particular statement with the Premier, because he wasn't available to me this morning.

Mr. A. J. Roy (Ottawa East): Supplementary.

Mr. Speaker: No. Actually these are the same questions over and over again. Will the Leader of the Opposition carry on with his questions?

URBAN TRANSPORTATION ALTERNATIVES

Mr. R. F. Nixon: Mr. Speaker, I would like to ask the Minister of Transportation and Communications if he recognizes what I hold in my hand as the statement made by the Premier of Ontario on Nov. 22, 1972, as an urban transportation policy for Ontario? Answer, yes. Is he aware that there were two answers to the transportation problems that we faced at that time? One was dial-a-bus and the other the Krauss-Maffei magnetic levitation train. Since both of those are now lying on the scrap heap, can he tell the House, the chairman of Metropolitan Toronto, the mayor of Hamilton, the mayor of Ottawa —who is still in office for a few days—and others what the provincial alternative is for this flossy programme that was introduced two years ago and which was designed through the expenditure of $1.5 billion to $2 billion to solve those problems?

Hon. J. R. Rhodes (Minister of Transportation and Communications): Mr. Speaker, first of all I am not going to accept any of the comments of the Leader of the Opposition that the dial-a-bus and the experimentation with magnetic levitation have gone to the scrap heap. First of all, although we have had our problems in some of the areas here in Toronto with the dial-a-bus programme, it has been working very successfully in a number of municipalities throughout this province.

Mr. Roy: The minister is on the way out.

Hon. Mr. Rhodes: What we must remember is that there are problems of transportation, not only in Metropolitan Toronto, but in other cities—as the Leader of the Opposition has indicated.

As far as the programme is concerned, we have continued on; and the Ontario Development Transportation Corp. has continued to develop other modes. It is obvious, I am sure, to the Leader of the Opposition and to others, that despite what has been said on many occasions, this government in the Province of Ontario is not responsible for the planning of transit systems in municipalities. The planning is carried on by the individual municipality and our contribution—

Mr. Reid: What happens when the policy diminishes?

Mr. Roy: What was the purpose of those extravaganzas?

Mr. Cassidy: The government even drew the routes.

Hon. Mr. Rhodes: —is to be involved financially through the subsidy programme. We have taken on the responsibility of attempting to develop new and innovative programmes to assist and to complement those programmes which are provided by each individual municipality. We will continue to try to develop new systems to help all of the municipalities.

Mr. Reid: What alternatives does this government have?

An hon. member: What has the minister got?

Mr. R. F. Nixon: Since we want to know the government's alternatives, we would like to ask as a supplementary: What is the minister going to provide by way of transportation for the problems that are going to be faced in the eastern section of the city when 404 is completed and when the 107,000 new housing units are completed right on the edge of Metro in York county at the northeast angle? How is he possibly going to serve those people without the alternative of this, which has now resulted in the wasting of two full years and longer? As Minister of Transportation, he is the one with the answers.

Hon. Mr. Rhodes: Mr. Speaker, I don't think the two years have been wasted at all. We have attempted to develop a new technology.

Mr. Lewis: Right down the drain; the whole programme is down the drain.

Mr. Speaker: Order please.

Hon. Mr. Rhodes: If the members opposite want to accept the philosophy that everything was confined to one mode, then perhaps we could be concerned in that way. But it has not been confined to one mode.

Mr. Roy: The government played it up that way.

Hon. Mr. Rhodes: We have gone ahead and we have worked on the development of a light rail system.

Mr. Lewis: It was the minister's emphasis.

Mr. Cassidy: He only began a year ago.

Hon. Mr. Rhodes: I can tell the hon. members opposite that as far as, for example, the Scarborough corridor is concerned, a light rail system could be put in there within the same time frame as it had been planned to put in the magnetic levitation system—within the same time frame.

Mr. Renwick: That is not right and the minister knows it. His information stated a time frame.

Hon. Mr. Rhodes: If that can be the answer for an intermediate capacity system in conjunction with Metropolitan Toronto, then by all means we will look at those that have been mentioned.

Mr. R. F. Nixon: Is that the answer?

Mr. Bullbrook: Is that the policy?

Mr. Renwick: He is unreasonable.

Mr. Speaker: Order, please. The member for Scarborough West.

Mr. Lewis: Supplementary, if I may: What is the minister going to do now with the $1.3 billion which he had put aside for magnetic levitation in the costing plans of this government? How is he now redistributing that money to the alternatives which may be on the board?

Hon. Mr. Rhodes: Mr. Speaker, that money was there for the purpose of developing a transit system—various transit systems.

Mr. Lewis: GO-Urban is what it was there for.

Hon. Mr. Rhodes: We called it GO-Urban at the time.

Mr. Lewis: That's right.

Hon. Mr. Rhodes: We have not given up—as I have said time and again—we have not given up on the other modes. And if that money can be applied—

Mr. Lewis: Now the minister has changed it.

Mr. Renwick: How much money did he set aside for the other modes?

Mr. Speaker: Order, please.

Hon. Mr. Rhodes: —in all of the various municipalities, that money will be made available through the subsidy programmes and the funding programmes of the Ontario government.

Interjections by hon. members.

Mr. Speaker: Order, please. Will the minister please take his seat. There are too many interjections. There are questions being asked which we'll allow; and the opportunity to answer those questions will also be allowed without interruption.

Has the hon. minister finished?

Hon. Mr. Rhodes: Yes.

Mr. Cassidy: Supplementary.

Mr. P. G. Givens (York-Forest Hill): Supplementary.

Mr. Speaker: The member for York-Forest Hill.

Mr. Givens: Since he is such a hard-nosed bargainer, Mr. Speaker, why doesn't the minister assign all the rights, titles and interest in this agreement that he negotiated to McDonnell Douglas? Why not let them continue with the programme and he simply reserve the right to sell the Krauss-Maffei system in Canada? Why doesn't he do that and save himself the $1.3 billion that he has put aside in the budget?

Hon. Mr. Rhodes: I think, Mr. Speaker, that we have been the jurisdiction that has started into this development of the new technology. It's a strange question, really, because I can recall a few months ago when we announced that McDonnell Douglas was going to come into the programme with us, I was criticized by the members opposite for selling out to the Americans. Now, is that what the hon. member is suggesting—that now we should sell out to the Americans?

Interjections by hon. members.

Mr. R. F. Nixon: Is the minister feeling better?

Mr. Speaker: Order please.

Hon. Mr. Rhodes: We do not intend to sell out to the Americans; we intend to enter into a partnership with McDonnell Douglas and carry on with the development of that particular technology.

Mr. Lewis: Ah, partnership, yes.

Mr. Givens: All the minister has is salvage rights. He has got nothing to sell.

An hon. member: We can't afford it.

Mr. B. Newman (Windsor-Walkerville): Nothing is being done.

Mr. Speaker: Order, please. The member for Ottawa East with a supplementary.

Mr. Roy: Supplementary to the minister, Mr. Speaker: Can he tell the people of Ontario, now that he has got the rest-over of Krauss-Maffei, how much it is going to cost to bring the levitation system to a successful conclusion sometime in 1978 or 1979? Can he give us an estimate of that?

Hon. Mr. Rhodes: No, Mr. Speaker. I cannot. I said yesterday, both here in the House. I believe, and certainly when discussing it with the news media, that I cannot and would not even attempt to put any particular dollar figure on it, nor would I put a time limit on it. I am not going to get caught into any time frames or into dollar expenditures.

Mr. R. F. Nixon: He just gets caught into throwing away money.

Hon. Mr. Rhodes: I have said, and I say again, we will look at it in phases and develop it in phases—

Mr. Lewis: Just scrap the whole business. Why doesn't he save himself the aggravation?

Hon. Mr. Rhodes: —and if there is any question in our minds that there is no possibility, then of course we will reassess the whole programme. but don't try to back me into any corner.

Mr. Lewis: Boy, he will reassess.

Mr. Speaker: The member for Ottawa Centre with a final supplementary.

Mr. Cassidy: Thank you, Mr. Speaker. Since there were light rail systems in revenue operation in about two dozen cities in 1969 when the ministry began on its quest for Krauss-Maffei, will the minister not agree that had Ontario embarked on light rail development at that time there could be light rail lines in construction or even in operation today in Scarborough, in Ottawa and in Hamilton, rather than the fiasco we have?

Hon. Mr. Rhodes: Mr. Speaker, if all of the municipalities that have been listed by the hon. member had decided at that time that that was the way they wanted to go, he well knows that that is their prerogative to go ahead and develop light rail transit within their cities. That is the municipality's responsibility, and if they wish to put in this sort of system, then they certainly can.

Mr. Lewis: He put his money into GO-Urban.

Hon. Mr. Rhodes: We have been developing the new technology and at the same time the light rail technology has been developed along with it. It is still available.

Mr. Lewis: And he discouraged everyone.

Hon. Mr. Rhodes: I agree with the member that if they had started in 1969 to put in this particular type of transit system it would be operating.

Mr. Deans: Even he doesn't believe it.

Hon. Mr. Rhodes: But I point out to the member that there are many many municipalities that want no part of the light rail system in their municipalities. They want something different, something that isn't straight steel wheels on steel rails.

Mr. Cassidy: Five years lost.

Mr. Speaker: Does the Leader of the Opposition have further questions? The member for Scarborough West.

Mr. Lewis: I have a question of the Chairman of Management Board. Could I draw him back for a moment, Mr. Speaker?

Mr. Speaker: Ask another question in the meantime.

STUDIES ON DEATHS IN URANIUM MINES

Mr. Lewis: Let me ask the Minister of Natural Resources, if I may, harking back to a familiar subject. When he replied in the Legislature, I believe on Friday morning last, relevant to the lung-cancer-associated deaths in Elliot Lake, he said that the 1973 report was referred to the committee on occupational health. What is the committee on occupational health?

Hon. L. Bernier (Minister of Natural Resources): Mr. Speaker, the hon. member was not in the House that day when I made mention of it; it was not a report, it was an interdepartmental working document.

Mr. Lewis: No, no, the committee on occupational health.

Hon. Mr. Bernier: No, but the report which the member is referring to was a working document, not a report. I think it was incorporated in the final report in 1974 which was sent to his office with, I think, a dozen or so copies. The occupational health group is an interdepartmental working committee that was pulled together some time ago. I think they were pulled together in 1962 and they examined that particular working document.

Mr. Lewis: Then maybe I had better ask the minister this question: Does he know that the committee on occupational health is a standing committee of the Ontario Mining Association, which they convene, which they examine, and it has no government authority at all except a couple of people from the Workmen's Compensation Board and the Ministry of Health; that only through the Ontario Mining Association were we able to get the names on the committee, and how come he referred reports on lung cancer deaths to a committee of the Ontario Mining Association and not to the workers?

Mr. F. Laughren (Nickel Belt): Why doesn't the minister resign?

Mr. Lewis: Yes, why doesn't he resign?

Hon. Mr. Bernier: Mr. Speaker, the leader of the NDP is entirely incorrect. The committee he is referring to is the Mine Accident Prevention Association. It's a spinoff of the Workmen's Compensation Board, as is the Forestry Accident Prevention Association, as are 11 other safety organizations compiled under the Workmen's Compensation Board. So to say it's been set up like that is wrong.

Mr. Lewis: Then, by way of supplementary, can the minister explain to me how Dr. Tidey, acting director of the occupational health protection branch, when phoned by my office knew nothing of the so-called committee on occupational health, could not recall it and did not know it? When we phoned the Workmen's Compensation Board we were referred to a Mr. Ridout of the Ontario Mining Association. When I spoke to Mr. Ridout of the Ontario Mining Association this morning, he said, yes, the committee on occupational health as he had determined it was a standing committee of the Ontario Mining Association. Can the minister explain all that to me?

Hon. Mr. Bernier: Mr. Speaker, I can't reply for somebody else. I can't reply for Dr. Tidey nor for anybody else. The member is just trying to twist it to his own advantage, that is all he is doing. All he is doing is hampering the efforts of that particular committee, which has done a great job over the years.

Mr. Lewis: Well then, by way of supplementary, can I challenge the minister to table in the House the interdepartmental committee on occupational health to which he refers and demonstrate that this isn't an adjunct of the Ontario Mining Association?

Hon. Mr. Bernier: I will consider that, yes.

Mr. Lewis: Thank you. Believe me, he will consider it.

REPORT ON ELECTION EXPENSES

Mr. Lewis: Mr. Speaker, may I ask the Chairman of the Management Board when he intends to table the Camp commission report on election expenses in Ontario, and when will the legislation be introduced?

Hon. Mr. Winkler: Mr. Speaker, I cannot answer that question; I will take it as notice. I have not yet seen the report but I will take the question as notice and give the member an answer on both those questions.

Mr. Lewis: By way of supplementary, is it still the intention of the minister to have an Act governing election expenses in Ontario introduced in this Legislature, presumably either this fall or in early spring in advance of the provincial election?

Mr. Reid: As soon as Mr. Kelly finishes his business.

Hon. Mr. Winkler: Again I will have to take it as notice, but I really think so.

Mr. R. F. Nixon: Supplementary: Perhaps the minister could tell us if the report has been received. Is the government examining it?

Hon. Mr. Winkler: The report does not come to my office so I can't honestly answer the question.

Mr. Speaker: Any further questions?

STUDY OF VINYL CHLORIDE

Mr. Lewis: A question of the Minister of Health: How is it that we have set polyvinyl chloride standards of 10 parts per million in Ontario, when on Jan. 1, 1975, the United States reduces it to one part per million, and shortly after to a non-detectable level? Is it that Canadian lives are somehow less important than American?

Hon. F. S. Miller (Minister of Health): Mr. Speaker, of course it isn't because Canadian lives are less important than American, it is because of the problems in defining what is an acceptable level of vinyl chloride monomer in the air.

There is quite a bit of material on this. The American agency that is policing it in the States set out to set a non-detectable level. Industry pointed out that that was fine by them, but you simply couldn't have a non-detectable level regardless of its health implications.

My job is not to determine what is possible in that sense, it is to determine what is acceptable from a health sense. I think you would agree with me on the difference. If, in fact, it had to be non-detectable, then we would have to consider whether that product was worth making in view of human lives.

I think it was generally accepted, though, in a lot of discussions in the States that in fact a non-detectable level wasn't based upon any scientific fact, but rather a hope of the agency that set out to achieve that. Our level of 10 parts per million is based upon the current world-accepted facts, and we have done quite a bit of checking with the agencies in the world which have been investigating this and we feel that all evidence to date would indicate they are safe levels.

There is a disparity between our standards and those of the States. That doesn't mean theirs are correct; it doesn't mean ours are correct. I know the terrible part about all this occupational health problem is that one is never sure, but based on the facts we have, the 10 parts per million is accurate and safe.

Mr. Bullbrook: By way of supplementary, could the minister advise whether his cabinet colleague, the Minister of the Environment (Mr. W. Newman), is monitoring the levels in the Sarnia area? Could they be made available to me if they are being made available to him?

Hon. Mr. Miller: I cannot answer for the Minister of the Environment. The levels we were just talking about, Mr. Speaker, were in-plant levels, not ambient levels.

Mr. E. R. Good (Waterloo North): Supplementary, Mr. Speaker?

Mr. Speaker: Supplementary.

Mr. Good: Could the minister inform the House what mechanism there is for the Minister of Labour (Mr. MacBeth) to enforce the recommendations from the Ministry of Health's occupational safety branch, which went to him just a week or two ago on this particular subject, and whether, to the minister's knowledge, these levels are being enforced at the present time in plants across Ontario?

Hon. Mr. Miller: Again, Mr. Speaker, those are questions I cannot answer. The Minister

of Labour would have to answer both of them.

Mr. Speaker: Does the member for Scarborough West have further questions?

The Minister of Housing has an answer to a question which was asked previously.

SOLAR ENERGY

Hon. D. R. Irvine (Minister of Housing): Mr. Speaker, on Nov. 8, the member for Sandwich-Riverside (Mr. Burr) asked the following questions:

> Inasmuch as millions of solar water heaters have been sold in Japan in the past two years, and inasmuch as in Northern Australia, the government now demands that all new houses have solar water heaters, is the minister doing anything to encourage the use of any kind of solar energy for new housing in Ontario?

Mr. Speaker, it is my opinion, and it is the opinion of my ministry, that in view of the "energy crisis" of several months ago and in relation to the longer-term prospect for the continued supply of fossil fuels based on known reserves, we have been taking this into account and looking into way in which solar energy might be used to provide domestic hot water and heat in housing. Discussions have been held with a firm called Space Optics of Los Angeles. Apart from this, we are aware of a system put forward by Prof. Hooper of Toronto.

The research and development group of OHC is exploring the feasibility of solar energy with the Ministry of Energy. If we find, Mr. Speaker, an examination of the capital costs involved suggests that the economics are reasonable, consideration would be given to the installation of a system in one or two existing housing projects owned by OHC, on an experimental basis. It is likely that any system used would supplement rather than completely replace conventional systems.

Mr. Speaker: The member for Rainy River.

ROAD BETWEEN ATIKOKAN AND IGNACE

Mr. Reid: Thank you, Mr. Speaker. I have a question of the Minister of Transportation and Communcations. The minister indicated at the Northwestern Ontario Municipal Association meeting in Kenora that he would give a decision at the end of October about the road between Atikokan and Ignace. Can the minister indicate why he didn't give such a decision and when we can expect it?

Hon. Mr. Rhodes: Mr. Speaker, when I attended that particular meeting, I indicated that the matter concerning that particular road, along with a number of other matters that related to transportation in general in the northwestern part of Ontario, were being considered at the policy field level and that there were several other ministry programmes that had to be considered. The Legislature went into session immediately after we returned from that meeting, as the member well knows, and this particular total problem has not been dealt with by the policy field. I did say to them that as soon as it had been dealt with that there would be a very firm decision made.

Mr. Reid: Can the minister give us an indication of when it might be dealt with by the policy field?

Hon. Mr. Rhodes: I will have to check the agenda to see when it is coming up and let the member know.

Mr. Speaker: The member for Cochrane South.

RESTRUCTURING OF PUBLIC UTILITIES

Mr. W. Ferrier (Cochrane South): I have a question of the Minister of Energy. When will the government's comments finally be released on the report of the government's committee on restructuring of public utilities so that decisions can be taken by the regional governments and enlarged municipalities such as Timmins as to the advisability of either creating a public utility system or equalizing hydro rates within the various parts of the cities?

Hon. Mr. McKeough: Shortly, I would suspect, Mr. Speaker.

Mr. Speaker: The hon. Minister of Energy has an answer to a question which he might give now.

HYDRO TRANSMISSION LINE DIVERSION

Hon. Mr. McKeough: Mr. Speaker, on Nov. 7 the member for York Centre (Mr. Deacon) asked a question of the Provincial Secretary for Resources Development, which he referred to me.

The question was:

In connection with the proposed transmission line from the Bruce nuclear generating station through East Garafraxa and Erin townships, why is a $9 million diversion proposed to avoid lands owned by Lloyd Lang, the reeve of Erin and warden of the county; Donald Matheson, a township councillor; Harry Hindmarsh, secretary of the Toronto Star; and the family of the member for Wellington-Dufferin (Mr. Root)? Would the minister have any explanation for this diversion, which is so obvious on the map?

Hydro's initial study for the 500-kv line from Bradley Junction to a switching station in the Milton area began in 1971. At that time the emphasis was on finding the most direct route while avoiding long, diagonal property severances, apart from existing severances, across farm fields, and the removal of farm buildings, and seeking to locate along back lot lines. Minimal directional changes and avoiding the silhouetting of the line were also sought. No particular emphasis was given at that time relative to environmental factors such as the avoidance of mature woodlots, wet lands or steep slopes if these would have resulted in a significant increase in length and cost.

On this basis a preliminary route in concession 5 was identified and submitted to the government liaison committee and subsequently approved by cabinet on Jan. 11, 1972.

In the fall of 1972, during the Solandt commission hearings on the Nanticoke-Pickering line, it became clear that no route could be adequately justified unless the whole area was studied and documented, taking into account all environmental and other factors involving the public, in addition to undertaking public participation. Accordingly, an environmental assessment of the study area was initiated in January, 1973.

This second study involved the preparation of overlay maps which identified the potential impact of the lines on present and future land use, natural systems (streams, valleys, intensely vegetated areas and erosion-prone areas), agricultural practices, appearance of the landscape and natural resources (forest products, wildlife, recreational areas, and gravel and quarry operations). The maps were laid one over the other to determine those areas within which suitable alternative routings could be identified. Taking these factors into account, it was inevitable that the best route could easily be other than a straight line.

Three public meetings were held in the period March, 1973, to March, 1974, in Erin and East Garafraxa townships to discuss the study with residents, involving a total attendance of about 800 people. The study revealed that there was no single concession through Erin township suitable for a direct routing between the best alignment and the adjacent townships of East Garafraxa and Esquesing. Portions of concessions 2 to 6 were identified as suitable for further study.

At the public meeting at Erin on March 12, Hydro identified the preferred route as running in concessions 10 and 9 of East Garafraxa and in concession 2 of Erin to lot 18, then crossing at concession 4 at lot 15 and entering concession 5 at lot 9, and continuing into Esquesing township (Halton Hills), to cross the Niagara Escarpment in the Limehouse areas.

At this meeting Hydro was requested to investigate further a more easterly direct route. A routing through concession 11 of East Garafraxa and in concession 4 of Erin was therefore investigated and found to compare unfavourably with the recommended route because of wet lands and visual aesthetics. This is a judgemental factor. The decision is based on study of aerial maps, field trips and Hydro maps by the study team, who determined that the visual impact of county road crossings, the crossing of the Eramosa and Grand River valleys and the long views would be less affected by the location of the line on the recommended route. This routing would be less than the recommended one by about two miles and, with fewer directional changes, would amount to a construction cost difference of about $1.1 million.

The avoiding of areas on the basis of who owns particular tracts of land was not, and is not, a consideration in determining line routes; and no effort is made to determine who individual owners may be until such time as it is required for the acquisition of property rights.

The report covering all aspects of the 1973-1974 study is now in the printing stage and is expected to be completed on Nov. 20. This will be a summary of a more comprehensive report which will be available in mid-December.

Mr. Speaker: In view of the length of the statement, I might just remind the minister that a statement that takes five minutes might better be given in the part of orders of the day known as statements by the ministry.

The member for Ottawa East.

APPOINTMENT TO HEALTH DISCIPLINES BOARD

Mr. Roy: Mr. Speaker, I suppose I could entitle this the first in a series of questions. I'd like to direct my first question to the Minister of Health. I wonder if the minister might advise what were the qualifications of Mr. Hugh K. N. MacKenzie for his appointment as a lay member to the Health Disciplines Board, apart from the fact that he was the minister's PC association riding president?

Hon. Mr. Miller: Mr. Speaker—

Mr. Lewis: It tells us something about discipline, if not about health.

Hon. Mr. Miller: Yes, that's right. I am delighted to have an opportunity to offer some comments on the capability of that young gentleman.

Mr. Roy: The minister is not talking about me?

Hon. Mr. Miller: No, I used the word "gentleman."

Mr. Lewis: Touché.

Hon. Mr. Miller: I can only tell the member that if he had the opportunity to meet him, the member would realize that if he were a member of his party, I would gladly have nominated him to that position. It just happens, though, that most people—

Mr. R. F. Nixon: I am sure!

Mr. E. J. Bounsall (Windsor West): Will the minister take other suggestions?

Hon. R. Welch (Provincial Secretary for Justice and Attorney General): They claim the minister discriminates against people because of their politics.

Hon. Mr. Miller: That's right.

Mr. Bounsall: Will the minister take other suggestions?

Hon. Mr. Welch: Rank discrimination!

Mr. Speaker: Order, please, the minister is answering his question.

Mr. Lewis: He better make the appointments while he can.

Hon. W. A. Stewart (Minister of Agriculture and Food): That is what happened to Mitchell Hepburn. Remember him?

Hon. Mr. Miller: I think, Mr. Speaker, I could only say that I would be pleased to give the hon. member a very thorough documentary upon his leadership capabilities in his area. From being a president of a very large communications company to being a leader in the Rotary Club, to being director of a number of local initiatives—

Mr. M. C. Germa (Sudbury): Is he in the golf club too?

Hon. Mr. Miller: —he has shown leadership in everything he has entered, including the party which I represent.

Mr. Roy: Supplementary—

Mr. Speaker: One supplementary to that, yes.

Mr. Roy: In view of the minister's answer about his willingness to appoint people from our party to that board, would he advise which members of our party are on the board?

Hon. Mr. Miller: I don't know the names. I can't speak to that board but the member may know the name Laskin.

Mr. Bullbrook: I know him quite well.

Hon. Mr. Miller: If the member looks at the lists that I just appointed, he will find the name Laskin on one.

Mr. Speaker: The hon. member for Sudbury East.

Mr. Lewis: What about this group over here?

EDUCATION OF MENTALLY RETARDED IN SEPARATE SCHOOL SYSTEM

Mr. Martel: I have a question of the Minister of Education.

Interjections by hon. members.

Mr. Speaker: Order, please. The member for Sudbury East has the floor for this question.

Mr. Martel: Does the minister intend to meet with the trustees from the separate schools, both French and English, to discuss before passage of Bill 72 the right of separate schools to educate the mentally retarded in their systems?

Hon. T. L. Wells (Minister of Education): Mr. Speaker, I have already had meetings with the trustees of the separate school boards to talk about that particular matter.

Mr. Martel: Supplementary question: In view of the fact, Mr. Speaker, that we met

with the trustees who formed that advisory group no later than Monday of this week and they are requesting a meeting with the minister, doesn't he think it would be advisable that he meet with them, because we didn't get the impression he had?

Hon. Mr. Wells: I am sorry, which group is the member talking about?

Mr. Martel: The representatives from the Sudbury area, the separate school trustees of the province, both English and French, and the two teachers' associations involved.

Hon. Mr. Wells: I don't know how up to date my friend is. I suspect that perhaps he hasn't been in Sudbury as recently as I have. I was in Sudbury yesterday and indeed met with the separate school boards, some of the retarded children's parents and others in the afternoon.

Mr. Martel: Supplementary, Mr. Speaker: In view of the fact that they have requested a hearing with representatives from the other associations being included, does the minister intend to meet with all of the groups involved? And don't try to isolate it, if that's what the game is.

Hon. Mr. Wells: I intend that we go into second reading of that bill very shortly and we will have a full chance to discuss it in the committee. I am sure that we will all be able to benefit from hearing what the various groups have to say about these problems in the standing committee of this House.

I have had full meetings with various groups about that particular question. The hon. member knows I discussed it during the estimates. He knows what my answers have been to those people. They know that we are looking at it in the broad context of services for the retarded, but we can't make any change at the immediate time in the context of Bill 72..

Mr. Speaker: The Minister of Revenue, please.

SALES TAX ON STAMPS

Hon. A. K. Meen (Minister of Revenue): Mr. Speaker, on Monday, Nov. 4, the hon. member for Waterloo North asked me a question concerning our policy as it applies to retail sales tax on first-day-of-issue stamps sold by the federal post office department throughout the Province of Ontario.

Mr. Good: They finally established one.

Hon. Mr. Meen: There is a provision in the Retail Sales Tax Act, section 5(1)(51) providing for an exemption of uncancelled Canada postage stamps valid for transportation of mail where the consideration for the sale does not exceed the face value thereof. The first issues to which the hon. member referred are cancelled stamps with a notation on the face "first day of issue." As they are cancelled before they are acquired by the purchaser, they are subject to retail sales tax and the tax that has been charged by the post office follows the provisions of the statutes.

There are other situations where the purchaser first acquires uncancelled stamps, which are then cancelled with the words "first day of issue," through the normal post office procedures. In these latter instances, the purchaser is acquiring uncancelled stamps at face value which are therefore exempt under the statute and tax is not collected by the post office. It is recognized that there is a difference in these circumstances, but the statute is being applied in the correct manner when the sale is directly associated with cancelled stamps.

Mr. Speaker: The member for Sarnia.

STUDY OF VINYL CHLORIDE

Mr. Bullbrook: I have a question I'd like to direct to the Provincial Secretary for Resources Development, but I am not sure it is appropriate. He might want to turn it over to his colleague, the Provincial Secretary for Social Development (Mrs. Birch).

With respect to the question of the monitoring of polyvinyl chloride levels, which interests my constituents tremendously, in view of the response of the Minister of Health that the Minister of the Environment has no responsibility other than for ambient levels, and in view of the response yesterday by the Minister of Labour to my colleague from Waterloo North, what can I do to assure my constituents in that extensive chemical valley that there is no health hazard and that monitoring is going on in-plant in my area?

Hon. Mr. Grossman: Mr. Speaker, I thought that was very capably answered by the Minister of Health. If the hon. member thinks that more action is needed and if it is indicated, I'd be very glad to take it up with the Minister of Natural Resources in the policy field and—

Mr. Bullbrook: By way of supplementary—

Hon. Mr. Grossman: Well, does the member want an answer?

Mr. Bullbrook: By way of supplementary—

Hon. Mr. Grossman: I haven't even answered the question.

Mr. Bullbrook: It's my understanding—

Mr. Speaker: The minister hasn't completed his answer.

Interjections by hon. members.

Mr. Speaker: Order, please. If the minister has anything further to say, then let him answer.

Hon. Mr. Grossman: I am saying I would be very pleased to take it up at the policy field, if it is indicated more action is necessary, and report back to the hon. member, although I can assure him that he can assure his constituents that being in the hands of the ministers of this government, everything possible is being done.

Mr. Lewis: Come on. Like Elliot Lake—the minister lied through his teeth.

An hon. member: The government will be as dishonest as it can.

Mr. Bullbrook: By way of supplementary, if I may: Did I then misunderstand the Minister of Health that he didn't have the answer because the Minister of the Environment isn't responsible for in-plant monitoring, and that the Minister of Labour is so responsible and that he didn't have the answer, and on what do I rely in carrying this message of confidence back to my constituents?

Hon. Mr. Grossman: Mr. Speaker, the hon. member can rely upon the answer I gave him.

Mr. Bullbrook: We will all have masks on tomorrow.

Mr. Speaker: The member for Wentworth.

FUNCTIONS OF AMBULANCE ATTENDANTS

Mr. Deans: Mr. Speaker, I have a question of the Minister of Health. In view of the minister's recent statement regarding the rather more restricted functions which ambulance attendants will perform in the Province of Ontario, what would he claim as being the reason for having in a pamphlet, "In an Emergency," which is available in most emergency rooms in the majority of hospitals in the province, statements to the effect that patients or those who are injured can view ambulances as being rather like an extension of the emergency unit of a hospital, or that the training available to ambulance attendants, including that which is available at Kingston, is extensive and allows them to carry on many almost paramedic functions?

Hon. Mr. Miller: Mr. Speaker, as the member knows, we discussed this problem at great length during my estimates debate. I would think no other issue got as much time during the estimate debates.

Mr. Deans: Is the pamphlet correct?

Hon. Mr. Miller: The pamphlet is correct when it says that in effect they are an extension of the emergency ward, because these people on the ambulances are well trained. Out of 2,500 of our drivers, 2,100 have received the training at Base Borden. That's a short course, we admit, but it has proved to be effective.

Mr. Deans: How about the Kingston course?

Hon. Mr. Miller: The Kingston course, as we told the members clearly, turned out to be non-productive. We are replacing it with a one-year course in the community colleges that will be the entrance requirement for future people acting as ambulance attendants or drivers.

Mr. Deans: Supplementary question: Will the minister discuss with those of his ministry who are now expressing privately their concerns about the level of ambulance service available whether or not it might not be more advisable to alter the approach at present being taken by the Ministry of Health toward ambulance attendants?

Hon. Mr. Miller: Mr. Speaker, I am sure there are some people privately and publicly offering comments. I have been trying to find out which of these would like to discuss these with their supervisors in the proper way. I have always encouraged, within my ministry, disagreement with policy if in fact the person believed it was incorrect. I think there's a proper place to do that within the ministry. I think the member would agree with that if he were in my shoes. I feel that when these people disagree, they have the right to call me or tell me. I do not feel they necessarily have the right to disagree by telling the press they disagree, without bothering to tell me.

Mr. Deans: One final supplementary if I may; one very short supplementary.

Mr. Speaker: If it is very short.

Mr. Deans: Does the minister now agree that there is, in fact, discontent within the ambulance service, right from the supervisory level down to the ambulance attendants, and it ought to be looked into by the ministry?

Hon. Mr. Miller: Absolutely not.

Mr. Speaker: Would the Minister of Health now give the answer to that previous question?

Hon. Mr. Miller: There were two questions, Mr. Speaker, if I have time to answer them.

Mr. Speaker: Are they very lengthy?

USE OF AMPHETAMINES BY ATHLETES

Hon. Mr. Miller: No, about a minute each, I would say.

During the question period of Nov. 13, the hon. member for Wentworth I believe it was, asked a question of the Provincial Secretary for Social Development in my absence. I would like to answer it, with her permission.

The question related to allegations that large doses of amphetamines were being administered to certain football players prior to games.

Now for more than a year, federal authorities have placed a strict limitation upon the use of amphetamines. Only certain conditions have been approved for long-term treatment with amphetamines. These are listed—and I don't think I need to read them to the members. To treat other than these conditions with amphetamines, a doctor must obtain special permission from the federal authorities. Allegations that they are being improperly administered should therefore be directed to the proper regulating federal authorities for investigation. We would be glad to co-operate with the member in that case.

Mr. Deans: Supplementary question: Is it the minister's intention to investigate the allegations made by Dr. Fried that the Ontario College of Physicians and Surgeons are aware of this occurring and to take some appropriate action to make sure they are not being administered illegally or in doses which might be harmful to the players?

Hon. Mr. Miller: Mr. Speaker, I don't have the authority to do anything but I will be glad to make sure that after what you have said it is acted on in some way.

FREE PRESCRIPTION DRUG PROGRAMME

Hon. Mr. Miller: The second question was from the hon. member for High Park (Mr. Shulman), and related to a recent price increase for certain drugs listed in the drug benefit formulary. He implied that these drugs would be delisted if the prices went up. There had been considerable fear about this and I feel, therefore, I should answer the question.

I would like to advise that my ministry has discussed these price increases with the manufacturers. They are considered to be reasonable in view of the escalating costs of raw materials involved in production and rising labour costs.

Provisions have been made to continue to cover in the formulary these drugs which have been subject to price increases. In other words, the patient will not pay more; the druggist will be covered for his increase in costs. The matter will be taken up with the pharmaceutical industry in an effort to obtain assurance that it will attempt to hold prices at levels effective at the date of publication of a formulary.

Mr. Speaker: For the final question, we might allow the member for Wellington-Dufferin to pose a question.

Interjections by hon. members.

Mr. Speaker: Order, please, before the member poses that question, may I be a little irregular and change the order? The Provincial Secretary for Social Development wishes to introduce some visitors from a school before they leave.

Hon. M. Birch (Provincial Secretary for Social Development): Mr. Speaker, may I take this opportunity to introduce to you and to the members of the Legislature 60 grade 8 students from St. Martin de Porres Separate School in West Hill. Will the members please join with me in welcoming them.

Mr. Roy: The provincial secretary is wearing a pretty sharp outfit.

Mr. Speaker: The member for Wellington-Dufferin.

Mr. J. Root (Wellington-Dufferin): Mr. Speaker my question is related to the statement made by the Minister of Energy about the location of certain transmission lines in my area.

Mr. Roy: The minister better hang on, it is going to be a tough one.

Mr. Root: A week ago the member for York Centre—

Mr. Deans: Question, question.

Mr. Root: The question is coming. If the member would quit interrupting me, I would get to the question.

Interjections by hon. members.

Mr. Speaker: Order, we are wasting valuable time. The hon. member may continue.

Interjections by hon. members.

Mr. F. Drea (Scarborough Centre): There they are; common rowdies again.

Mr. Root: A week ago the member for York Centre made the suggestion that some $9 million was to be spent to divert a line—

An hon. member: Ah, cool it.

Mr. Speaker: Order, please.

Mr. Stokes: Give him a chance, he is a new member.

Mr. Root: I realize the member for Wentworth is prone to interrupting. He interrupts everybody.

Interjections by hon. members.

Mr. Speaker: Order please.

Mr. Root: About a week ago the member for York Centre suggested that some $9 million might be spent to divert a line around some very good citizens in the township of Erin, namely the reeve and warden of the county, the deputy reeve, a Mr. Harry Hindmarsh, and my own family. Now I wasn't aware that I was in any way related to $9 million. I was really flattered, but my question—

Interjections by hon. members.

Mr. Drea: Let him finish.

Mr. Speaker: Will you please place the question? We gave the hon. member special consideration; would he please ask the question?

Mr. Root: My question is: There is to be a statement made on Nov. 20 probably, and maybe later in December, and there has been a suggestion that the line be built completely around Wellington county—

Mr. Deans: That's not a question.

Mr. Lewis: Does the member want his money? Darcy, give him his money.

Mr. Stokes: He should practise asking questions at home.

Mr. Root: And that member should practise keeping his mouth shut while other people are talking. My question is—

Interjections by hon. members.

Mr. Drea: Mr. Speaker, how about some order?

Mr. Lewis: Why should I have to split my money with Harry Hindmarsh? That's what I want to know.

HYDRO TRANSMISSION LINE DIVERSION

Mr. Root: My question is: Is there any consideration being given to the suggestion that was made by an engineer in Erin township that instead of crossing over the valuable farm land in Wellington county the line be taken through by Owen Sound, Collingwood and come down the Essa corridor? Will that be given consideration before the final decision is made?

Hon. Mr. McKeough: Mr. Speaker, consideration was given and further consideration is not being given to using the Essa corridor. The Essa corridor presented certain problems but the most specific reason for not using it was the desire by Hydro, and agreed to by the government, to preserve the Essa corridor for transmission lines which undoubtedly will be required from northern Ontario to southern Ontario in the future.

Hydro is presently, for example, looking at the possibility of generating sites on the north channel of Lake Huron in the Blind River area. That power will have to come into the grid, and the Essa corridor, so called, is probably the logical route for it to get down here to Toronto. So I would have to say to my friend from Wellington-Dufferin, no, that is not something which is presently under consideration at this moment.

Mr. Good: Supplementary, Mr. Speaker.

Mr. Speaker: Order please. The question period has long ago expired.

Petitions.

Presenting reports.

Motions.

Introduction of bills.

JUDICATURE ACT

Hon. Mr. Welch moves first reading of bill intituled, An Act to amend the Judicature Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Welch: Mr. Speaker, there are three basic features to this bill.

First, it increases the complement of the court of appeal from nine justices of appeal to 13 justices of appeal, besides the Chief Justice.

Second, whereas at present cautions or certificates of lis pendens can only be vacated by a high court judge, the amendment permits a judge of the court in which the suit is pending to vacate the caution or certificate of lis pendens.

Third, it prohibits the taking of pictures or other visual representations at judicial proceedings or of persons attending judicial proceedings.

Section 1 of the bill increases from 10 to 14 the number of justices of appeal, which is warranted by the extremely heavy burden on the court of appeal. The criminal appeal caseload of that court has grown by 100 per cent since 1963. Between Oct. 1, 1972, and Sept. 30, 1973, the list of criminal appeals pending increased from 495 to 629. In addition, there has also been a substantial increase in the civil appeal burden over the last 10 years, although not so great as the increase in criminal matters.

Section 2 of the bill is designed to remedy a minor problem and I have already made some general reference to that.

Section 3 adds a section 68(a) to the Act to prohibit the taking of photographs or other visual records in court or of persons attending court while they are in the environs of the courtroom or building.

ELECTION ACT

Hon. Mr. Welch moves first reading of bill intituled, An Act to amend the Election Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Welch: Mr. Speaker, I have another two pieces of legislation—perhaps I might comment on all three of these bills at the same time.

STATUTES ACT

Hon. Mr. Welch moves first reading of bill intituled, An Act to amend the Statutes Act.

Motion agreed to; first reading of the bill.

EXECUTION ACT

Hon. Mr. Welch moves first reading of bill intituled, An Act to amend the Execution Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Welch: Mr. Speaker, I have introduced three bills of what could be referred to as a housekeeping or administrative nature; bills to amend respectively the Election Act, the Statutes Act and the Execution Act.

The amendment to the Election Act disqualifies all judges from voting in provincial elections and is identical to the amendment made this session to the Municipal Elections Act, 1972. This amendment, made at the request of the judiciary, restores the disfranchisement of judges which has existed in Ontario at least since 1864 and which was removed by the new Election Act in 1968-1969. The disqualification from voting is designed, of course, to protect the independence and the impartiality of the judiciary, the appearance of which might be endangered, especially when judges of the Supreme Court and the county courts are called upon to adjudicate matters arising in the area of election law.

The amendment to the Statutes Act deletes the requirement contained in section 4 of that Act that the date of prorogation be endorsed on every Act. The removal of this requirement is consistent with similar legislation in all other jurisdictions in Canada and will result in savings of printing costs and reduction of the time within which the annual volume can be published.

Finally, the amendment to section 32 of the Execution Act clarifies the applicability of the section to newly created regional or district municipalities. Section 32, which likely does no more than codify what would otherwise be the common law, provides that where an area of land becomes part of a different county or judicial district, writs of execution which were effective against land at the time of the change of jurisdiction continue to be effective until their withdrawal, expiry or renewal. As newly-created regional or district municipalities are not technically annexed to an existing county or judicial district, some confusion may have arisen as to

the applicability of the section. This subsection simply deems the area of land to have been annexed, obviating any difficulties of interpretation.

DOG LICENSING AND LIVE STOCK AND POULTRY PROTECTION ACT

Hon. Mr. Stewart moves first reading of bill intituled, An Act to amend the Dog Licensing and Live Stock and Poultry Protection Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Stewart: Mr. Speaker, this bill provides that the same valuer do the valuating for livestock and poultry designated in the bill lost to dogs or lost to wolves or a cross between the dog and the wolf. He hope that it will clear up the difficulties that some farmers are experiencing in having a valuation placed on animals which may be damaged or destroyed by wolves.

MUNICIPAL ACT

Hon. Mr. Winkler moves first reading of bill intituled, An Act to amend the Municipal Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Winkler: Mr. Speaker, the bill carries out the undertaking which the Minister of Education gave the House last week to confirm the right of teachers and others to run for municipal office without having to take leave of absence or resign from their present positions.

The amendment makes it clear that employees of school boards, and commissioners, superintendents and overseers appointed under section 393, are free to run for election to municipal council.

Municipal employees are also free to run for council provided they are not employed by the municipality where they are seeking office. Municipal employees seeking election to the council of the municipality in which they are employed must take leave of absence to run and resign if elected. In metropolitan or regional or district municipalities, municipal employees therein may not run for council in any member municipality without taking a leave of absence and resigning if elected.

In view of the approaching elections, Mr. Speaker, we will be asking the permission of the House to allow the speedy passage of this amendment.

HEALTH INSURANCE ACT

Hon. Mr. Miller moves first reading of bill intituled, An Act to amend the Health Insurance Act, 1972.

Motion agreed to; first reading of the bill.

Hon. Mr. Miller: Mr. Speaker, this bill has a number of technical amendments, among them the right for the general manager of the Ontario Health Insurance Plan to take immediate action based on advice given him by the medical review committee pending an appeal of that decision. It adds the regulatory authority so that the Ontario Medical Association fee schedule can be adopted by reference, and a few other very minor items.

PUBLIC HEALTH ACT

Hon. Mr. Miller moves first reading of bill intituled, An Act to amend the Public Health Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Miller: Mr. Speaker, again this bill contains a number of technical amendments. It allows the medical officer of health and his agents to have police assistance for entry into premises if they require it.

It extends immunity for actions now granted to the medical officer of health to his assistant and to certain public health inspectors. It ensures that health inspections of places such as lodging houses, which currently can be done at any hour of the day, be done at reasonable times.

Mr. Speaker: Orders of the day.

Clerk of the House: The 32nd order, House in committee of supply.

ESTIMATES, MINISTRY OF HOUSING (continued)

On vote 803:

Mr. Chairman: Last night when we adjourned on vote 803 the member for Ottawa Centre had the floor.

Mr. M. Cassidy (Ottawa Centre): Thank you very much, Mr. Chairman. I was going to carry on in the same kind of tone as last night, but as I thought about it, I thought I would speak today more in sorrow than in anger about the Housing Action Programme and about the fraudulent way in which the

government has gone ahead with this particular programme and about what is emerging, which is an anti-social housing policy rather than a social housing policy.

It's a bit like Krauss-Maffei: bold promises made by the government on so many occasions, enormous reliance placed by the government and terrific resources put into public relations by the government in order to convince people that something is being done—in this particular case about housing—but when you come down to it, nothing at all to back the promises. This is nothing new with this government, but I just simply hope the message gets through.

What makes me weep, however, Mr. Chairman, is the fact of the opportunities lost over the last three years. Just in looking through my files, I could see that as recently as 1971 the ministry was making housing available under the HOME plan for $15,000 or $16,000 a house, plus about $50 a month in land costs. We've gone so far away from that in so little time. So much of that could have been avoided had we been moving in with massive public land acquisition and other programmes that we've been pressing on this government for an awfully long time.

Before I come to OHAP in particular, I would just point out too that in terms of ministry promises it's now eight years since the government promised 20,000 units a year under the HOME programme, which was a good programme eight years ago. In that period of eight years as a whole, rather than having 160,000 units we have had the pitiful total of 15,015 units under the HOME plan. It's like a lottery. If you're lucky, you win. If you're not lucky in Ontario, you lose. And more and more people are finding themselves the losers in the housing field under the policies of the provincial government.

The Housing Action Programme was summarized in "Housing Ontario" which was a document put out by the ministry last May. At that time, it was stated correctly that $20 million was being allocated for the programme in fiscal 1974-1975. In fact, we now find according to the Treasurer's estimates that only $8 million is actually anticipated to be spent during fiscal 1974-1975. Less than half of what was intended to go into the programme will be going into it, and that is a measure of the degree to which the Housing Action Programme is falling behind.

The objectives of the Housing Action Programme that were laid out in Housing Ontario/74" began by saying that the government wished to bring in the housing production as quickly as possible significant amounts of serviced lands that would not normally be developed until the later 1970s. But what do we find? To begin with, we find that half of the units which have been announced so far after six months by the ministry were units that were already in production. This was land that was already actually in development and that could hardly be said to have been accelerated by the ministry.

We find that when the ministry's goal was to increase rapidly the total supply of new housing, as the result of new serviced land, in fact, the more emphasis is put by the ministry on the Housing Action Programme the more we find the rate of new housing construction in the province is actually decelerating rather than accelerating. In the last month or so, the minister announced about 3,000 units under the Housing Action Programme. Perhaps I could point out to the minister that in urban Ontario, where housing starts declined last year from the 1972 figure, between January and October this year housing starts are down by 18.5 per cent, from 78,000 to 63,000.

In September, which was around the time that the minister began to get one or two OHAP agreements actually in place, the number of starts was down by 42 per cent, from 9,112 to 5,244; and in October the number of starts was down by 40.5 per cent, down to 5,265.

The minister, and certainly his deputy, knows what that means, that during the months of September and October, which are traditionally the months of heaviest new starts, the months in which builders get their shovels into the ground before the freeze-up, in order to prepare for ongoing winter construction, during those months there has been a tremendously sharp falling-off of new housing construction starts.

We don't know what the picture will be for November, but nothing that I have seen leads me to think it is very cheerful, and as the minister probably has learned by now, December, January, February and March, for climatic reasons are, in this country, months of low construction activity in the residential market. You don't get many units beginning then. There is no way you can rescue the situation in the last four months of the year.

So you are not bringing serviced land into the market in order to accelerate production; and you are not increasing the total supply of new housing. Then, it was said that the intention of OHAP was to increase significantly the production of new housing available to families of low and moderate income.

You know, if I were on a low income, I don't know what I would do. If I had a large family, I don't know what I would do in this province now.

The minister very kindly last night gave us some indication of the breakdown of the units which have been signed for under the Ontario Housing Action Programme. And "Housing Ontario" gave a good breakdown of the income distribution of families in this province in 1972, and it's quite possible to update it to 1974 by increasing it by a certain factor.

Back in 1972, Mr. Chairman, 20 per cent of the families in this province had an income of less than $5,000 a year. Not a single unit for families in that low income range is being provided under the Housing Action Programme under what has been announced by the minister so far, and there is no indication, with the 6,000 or 7,000 units he has mentioned may be committed by these same developers, that any of those will be directed to people earning under $5,000.

The next income group is people earning under $8,000 a year. That was the next 20 per cent of families in the province. For people under $8,000 a year there is not a thing under the Housing Action Programme. Some of them, with the increase in wages over the last couple of years, may have incomes of up to $9,500 or so, and there is a remote chance for a very few that, with the combination of federal and provincial assistance, they may qualify for a HOME house. However, under the figures given by the minister last night, in which he gave a price of around $28,000 for HOME housing units being made available in conjunction with the OHAP programme, it is clear that those units are directed to people in the $10,000 to $14,000 range and not to people in the bottom 40 per cent of the families in this province.

If people earning under $10,000 in the province are not low income people, I don't know what they are. They are obviously the people who have the greatest housing need, the greatest housing problem, and there is not a thing being done under the Housing Action Programme in order to help them. If the minister can find 100 units directed to that particular group, I would welcome the knowledge. But if there are even 100 units, you have to recognize that you are talking about 40 per cent of the province, you are talking about people whose housing problems right now are, on average, much more severe than the average Ontario family.

If you are on a low income in Ontario you are more liable to be a tenant and to face very sharp rent increases because of the lack of rental control. If you are on a low income of under $10,000 a year in Ontario there is a chance that you may have a larger-than-average family, because larger families and low incomes sometimes go together. Certainly it is more difficult for the wife to work if there are more than two or three kids in the family. If you are earning under $10,000 a year you have more of a chance of living in substandard accommodation or accommodation which is in need of renovation.

All these factors conspire to make the housing picture of people on low incomes pretty desperate, but there is no response in the Housing Action Programme such as has been revealed by the ministry, either before now or in the information that was given by the minister during the course of his estimates.

Then you come to the group between $8,000 and $11,000 a year or, if you will, between $9,500 and $13,500 at today's incomes. In terms of distribution this is the middle group, the middle 20 per cent, running between 40 and 60 per cent on the income scale. This is, I would presume, in our language in the NDP, the so-called middle income or moderate income group. I don't know what groups the minister is talking about when he talks about $20,000 earners being on moderate incomes because that is not a moderate income by most people's standards.

They'll ask, if you are earning under $13,500 a year what is being made available to you under the Housing Action Programme? Out of the 3,000 units in the Housing Action Programme there are 178 units which are going to HOME and these are clearly directed to that group who are earning less than $13,500. About five per cent of the total units under the Housing Action Programme are directed to the people earning under $13,500 under HOME.

In addition, if they have the misfortune to have a family of two children of opposite sex or three children of any sex—

Mr. V. M. Singer (Downsview): Most do.

Mr. Cassidy: Most do, that is right. Or four or five or six children, or 11 children, like the member for Renfrew South (Mr. Yakabuski), they will find that there is simply nothing available to them—or virtually nothing available to them.

I think that in the Metro Toronto area I was able to find 36 three-bedroom apartments

in Bramalea available for families with a minimum income of $13,880; and either 18 or 36 units, also three-bedroom apartments, available for those with an income around $14,050. If you were below that income—in other words, if you had a family with more than a couple of kids and you had an income as great as 60 per cent of the families in the province—you wouldn't get a darn thing out of this programme apart from those units which are made available under HOME. In Ottawa there were 120 units under construction which were available to families earning between $13,000 and $14,000 a year, a slightly better picture, but the overall picture is dismal.

The Housing Action Programme promised to bring new housing onto the market, yet of the 3,000 units that the minister has announced, 1,467 were actually under construction at the time they were brought into the Housing Action Programme. In other words, those units were not new, they were not accelerated, they were being made available to people who might not have otherwise been able to afford them because of different mortgage arrangements, but these were not new units that would not otherwise have been built.

Finally, 20 per cent of the families in the province are in the upper middle income ranges which would now run between about $13,500 and $19,000 a year, and another 20 per cent make over $19,000 a year, and for those groups, who ought to be able to cope for themselves if the market was running in any reasonable kind of way, and if this government had moved in to take control of land prices and to take control of housing prices and to ensure that housing was made available at prices that people could afford, these upper and upper middle income groups are the people who are the major beneficiaries under the programme which has been announced by the minister. Fourteen hundred units are being made available for people with incomes between $14,500 and $20,000 a year. Not only that, but almost all of the three-and four-bedroom units being announced under the Housing Action Programme are being made available to people with incomes of $14,500 a year and up.

In other words, if I can talk about this in pretty blunt terms, Mr. Chairman, if you want to have more than a couple of kids, you had better not be poor in this province. You had better not even be middle income in this province; you had bloody well better be well off, because otherwise you won't be able to have a house where you raise those kids.

I don't want to extrapolate too far, but the anti-social housing policy of the government very simply is going to restrict family size, to force people to make cruel decisions —sometimes decisions which on moral grounds they cannot defend—about the size of their families and about what they do about having additional children.

What is an ordinary Ontarian going to do? Ordinary Ontario families who are tenants and have got two or three kids right now are shut out of the programme. And I think the minister will agree that if they are shut out of the Ontario Housing Action Programme, then there is nothing being made available to them through the market system which is any better kind of a deal.

Let's look at the headlines again and at what it is that the minister has been promising us with the Housing Action Programme. Back in October, 1973, the Premier (Mr. Davis) himself, who always gets in when there are headlines to be made but always backs out when there is a retreat to be beaten, as the Minister of Housing (Mr. Irvine) is beating his retreat or as the Minister of Transportation and Communications (Mr. Rhodes) was beating his retreat yesterday—back in October, 1973, the leader of the NDP asked the Premier how many units would be produced under the Housing Action Programme, over and above the 100,000 to 110,000 units which we are now producing on an average basis per year. The Premier replied:

> Hopefully we could be looking at, in terms of 1974-1975, additional serviced lots of perhaps between 30,000 and 35,000 in the Metro area, hopefully around 7,000 in Ottawa and 4,000 in Hamilton. These are sort of tentative targets.

Now, the Premier left himself a bit of room for manoeuvring, but certainly at that time, when he was seeking to seize the headlines, he indicated that major progress in new lots and new housing units would be possible under the Housing Action Programme. And for 1974-1975 he indicated there would be a total of between 40,000 and about 50,000 additional lots, many of which would have had housing starts by March, 1975.

I took the trouble to check that, if the minister wants to joust with me on it, and the full quotation in Hansard is in fact directly related to the Housing Action Programme. It is not, as the minister suggested last night, related to something entirely else.

Then on page 16 of "Housing Ontario/74," the ministry said:

> It is estimated that OHAP will directly influence the production of 12,000 dwelling units in 1974 which might otherwise be built in 1975 or later, and upwards of 28,000 such units in 1975. This does not include dwellings made available to the Home Ownership Made Easy programme through OHAP.

So what do we actually have? We have 3,036 units actually committed, of which 178 are for HOME and therefore shouldn't be counted, and of which 1,467 are actually under construction and therefore again don't really qualify to be counted as units that might otherwise be built in 1975 or later since they were being built already. That comes down to something less than 2,000 units which have actually so far been influenced by OHAP, compared to the Premier's promises of about 40,000 or 50,000 and the promise by the government in May of 12,000 or more. It's another example of housing by headlines.

If I can, I would like to read one of the minister's quotes, because it is an example of the kind of fabrication and deception used by the ministry when it is trying to cover up the failures of this government in housing policy.

In May, the government says very clearly: "It is estimated that OHAP will directly influence the production of 12,000 dwelling units in 1974." Now, housing has traditionally been calculated on the calendar year basis. When you say 1974, the wording is pretty clear, particularly since elsewhere the ministry talks about fiscal 1974-1975. For example, in the previous page in "Housing Ontario," it refers to the allocation of funds for 1974-1975, distinguishing fiscal 1974-1975 from the year 1974.

Hon. D. R. Irvine (Minister of Housing): Anyone would understand it is the same term.

Mr. Cassidy: It certainly is not.

Hon. Mr. Irvine: Anyone could.

Mr. Cassidy: It certainly is not. Secondly, Mr. Chairman, where dwelling units were referred to in May, the minister in his statement on Tuesday night says: "I am still confident, Mr. Speaker, that our May target of 12,000 accelerated units and serviced lots will be met this fiscal year." So you change the calendar year to the fiscal year, you dismiss the first three months of 1974 as never having existed and you change dwelling units into dwelling units and serviced lots.

Not only that, Mr. Chairman, but I understand, as I talk with people in the ministry, that the number of starts he will actually have by March 31, 1975, is no more than about 2,000 additional starts to the 3,000 that you have now; a total of about 5,000 starts. That makes 5,000 in 15 months, compared to 12,000 that was promised earlier this year in 12 months.

Then I am told that there may be another 3,000 lots by March 31, but that only around half of these will be for people earning less than $20,000 a year; the rest will be for people earning over $20,000 a year. People in the upper 20 per cent, the top 20 per cent of income earners in this province, are having to get handouts from the government because of its disastrous failures in housing policy.

Then I am told that there may be another 4,000 lots, but don't count on them. In other words, the chances are that they will come in 1975 and not in 1974.

I don't propose to talk about 1975, because that's a kind of never-never land. This ministry has to be judged on the basis of its performance now and not on the basis of the kind of figures it can trumpet and bring forward. From Stanley Randall on, we have had a succession of announcements of housing by headlines from the government, which invariably fail to be matched by performance. I have tried to go through the figures as best I can, Mr. Chairman, because of the failures in performance that we have seen so far and becausse of the indication that nothing better is going to come out of the ministry.

I would point out that the units that were detailed by the ministry last night are, as I understand it, all to be funded under the special mortgage financing which I believe is coming from the province at 10.25 per cent and is directed to people earning $20,000 a year or less. Now, with an average mortgage of around $30,000 or $32,000 on those 3,000 units that were mentioned by the ministry, that means that you have committed so far under the Housing Action Programme mortgage funds of about $100 million. As I understand it you have mortgage funds available for this programme for the current year of about $58 million. In other words, the completions on some of these units are going to have to be done in 1975 and there isn't a nickel left in mortgage funds available to aid in the purchase of housing units bought under the Housing Action Programme.

That's the situation as it stands right now. You have run out of dough. You have cut

the amounts that you are dedicating to the Housing Action Programme by more than half, from $20 million to $8 million. You are misleading the House all over the place and you will shortly get up to tell us about the tens of thousands of proposals that you have for 1975.

There has been not a word by the minister or the ministry about any successful efforts at bringing down the price of the land involved.

You may talk about not having it go up, but then, as we have learned already, for a number of reasons the price of land stopped going up about six months ago, for reasons that were not related to the Housing Action Programme.

You should be able to show this House that you are bringing the cost of land down by several thousand dollars per unit in order to make housing more affordable, and I challenge the minister to provide any evidence that the government's actions have so far brought housing prices down in that kind of measure.

Finally, Mr. Chairman, under the Housing Action Programme, I would like to point out just how costly the housing being provided is and how unrelated it is to the economic realities of the average person seeking to buy a home. A family with one or two children, and the wife at home, because the kids are under four and she believes in looking after them or she can't find day care for them, living on an income of $13,000, who decide to buy a two-bedroom apartment in Bramalea under the Housing Action Programme will get it for about $4,200 per year in principal, interest and taxes. Then, in addition, they will have to pay a condominium charge of around $25 to $35 a month depending on the cost structure of that particular building and depending on whether they pay their heat directly or whether they pay for their heat through the condominium charge. The total cost of that housing unit for that particular family will be of the order of $4,800 to $5,000 per year.

If you look at it from the other end, the $13,000 income earned by a single breadwinner gets cut into, with about $2,000 in income tax; about $300 for OHIP; $120 for unemployment insurance; and about $125 for Canada Pension Plan. That amounts to a total of about $2,500. If he has a pension plan in his firm for example, if he works for the Ontario government—the pension contributions will easily amount to $500 or $600 more. You take off the top of that $13,000 income about $3,000 in deductions, give or take $250 either way. If he doesn't have a pension plan, he would be up about $500. That leaves a net income after deductions in the order of $10,000 to $10,500, out of which that person has to pay around $4,800 to $5,000 a year in overall costs—I'm sorry, $4,500 to $4,800 a year in overall costs for the apartment.

When you look at it in net terms, this isn't 30 per cent of income going into housing, it's somewhere between 42 per cent and 48 per cent of net income going into housing. The poor fellow is left with about $100 a week with which to run his automobile, if he has to commute to Toronto; with which to pay for food, clothing, for entertainment, for recreation and, God forbid, for a contribution to the political party of his choice.

If you go up a bit to a family with three kids and a three-bedroom townhouse and $14,500 per year, the cost of that town house is going to be of the order of $5,000 per year. That's what they are going to have to put into it, according to the ministry guidelines. They will have to pay $5,000 a year out of a net income after deductions of pension, tax, OHIP, Canada Pension, unemployment insurance, and so forth, of between $10,700 and $11,500. That is also in the order of between 42 per cent and 47 per cent of their net income going into housing.

I ask you is that what it is to live in the Province of Ontario, to put out almost half of your takehome pay in the cost of housing? Is that the best that this government can do? Is that the best as we, as a Legislature, can do for the people of Ontario, for people who are nominally in moderate or middle-income ranges? It's a disgrace. It's a real disgrace and it's a sign of just what a desperate failure the government has brought about and of the lost opportunities that could so easily have been seized by this government, if it had had a commitment beginning five or 10 years ago to providing housing at reasonable cost to every family in this province, rather than this commitment to lining the pockets of developers the length and breadth of the Province of Ontario.

Hon. Mr. Irvine: Mr. Chairman, I would like to make a few comments to the member for Ottawa Centre. First of all, in all fairness to other members of the House, the member has been away for awhile and I guess he has missed some of the things that have happened in regard to our housing programmes for Ontario.

Mr. Cassidy: I have read them all with great interest.

Hon. Mr. Irvine: When you mention that there is only $8 million for OHAP, you couldn't have read very clearly, or you couldn't have understood what happened in the past few weeks when we added $100 million alone for housing. We have at least $58 million for OHAP—not $8 million.

Mr. Cassidy: No, the Treasurer (Mr. White) says $8 million specifically for OHAP. Not for mortgages, but for OHAP.

Hon. Mr. Irvine: We have in our housing statement, which you looked at, $20 million.

Mr. Cassidy: Yes.

Hon. Mr. Irvine: Okay. We have $20 million plus the $58 million that I mentioned for OHAP. Now, where did you get your figure of $8 million?

Mr. Cassidy: The $8 million is contained in this document of the Treasury, "Ontario's Finances," which gives a revised estimate at the end of October for the Ontario Housing Action Programme and says it will go down to $8 million for 1974-1975. That is as of Oct. 31, 1974.

Hon. Mr. Irvine: It says March 31?

Mr. Cassidy: Oct. 31.

Hon. Mr. Irvine: Oct. 31.

Mr. Cassidy: That's right. Obviously somebody isn't telling—

Hon. Mr. Irvine: The obvious fact is that we are putting the money that is allocated for housing where we determine it is needed most. We, in the Ministry of Housing, have determined that there will be $20 million plus $58 million for OHAP. If more is needed we will add those funds to it.

Mr. Cassidy: Perhaps the minister would say $58 million was originally announced by the Minister without Portfolio (Mr. Handleman) and—

Hon. Mr. Irvine: The $58 million was announced some while ago, as I said.

Mr. Cassidy: Yes.

Hon. Mr. Irvine: Certainly then you are not aware of what is going on when you said we only had $8 million. That is the point I am trying to bring out.

Mr. Cassidy: Mr. Chairman, the point I was making was that the funds specifically designated under the Housing Action fund, which we are debating right now, of which $19 million was allocated for basically the acceleration of serviced lots and grants to municipalities for the Housing Action Programme, is the sum which has been reduced to $8 million, according to the estimates of the Treasurer, Mr. Chairman. As the minister says, $58 million has been allocated for mortgages to OHAP purchasers. I was pointing out just now, if the minister had been listening, that more than that has been committed and that the barrel has been scraped dry as far as additional reduced-rate mortgages to OHAP purchasers are concerned.

Hon. Mr. Irvine: Since the member has the report in front of him, does he have what OMC has allocated?

Mr. Cassidy: The Ontario Mortgage Corp.'s allocation has been increased from $75 million to $105 million, indicating that part of the $58 million or part of the original $75 million allocation to the Ontario Mortgage Corp. is not now expected to be disbursed during the course of the fiscal year 1974-1975 because of the delays and difficulties the ministry is having in getting its programmes under way.

Hon. Mr. Irvine: No, that is absolutely incorrect.

Mr. Cassidy: You had better talk to the Treasurer, then.

Hon. Mr. Irvine: I am talking about your statement. We don't experience the difficulties which you are indicating to the House.

Mr. Cassidy: Oh, no?

Hon. Mr. Irvine: We feel that the programme is going ahead very rapidly.

Mr. Cassidy: Speak to the Treasurer, then.

Hon. Mr. Irvine: I am not disputing the Treasurer's figures; I am disputing what you are saying.

Mr. Cassidy: He is a perceptive guy, the Treasurer.

Hon. Mr. Irvine: I am disputing what you are saying—do you understand that?

Mr. Cassidy: Yes.

Hon. Mr. Irvine: All right. If you will listen for a minute, we might understand that when we say in our "Housing Ontario/74" that there was $20 million to bring into production in the fiscal year 1974-1975, we don't talk about our estimates in the calendar year. We talk about our estimates being 1974-1975, we talk about housing units

in the fiscal year of 1974-1975 and certainly we don't cut our year off at the end of December, as you have indicated to the House previously.

Mr. Cassidy: I am just listening to the English here that has been used in that statement.

Hon. Mr. Irvine: All you have to do is read the statement. I can read it to you, and the point I want to make to you is that we talk about the fiscal year at all times being the end of March 31, and it's 12,000 dwelling units in 1974, 28,000 in 1975—fiscal years, in both cases. Now, the Premier first of all announced serviced lots and we are talking about serviced lots and dwelling units. We are including both, and we fully expect to reach those targets.

Mr. Cassidy: But you were talking about dwelling units exclusively on this subject, and now you are talking about both.

Hon. Mr. Irvine: Either way I think we are improving. If we are talking about serviced lots in the first instance and if we can get houses on that, isn't that an awful lot better?

Mr. Cassidy: We see neither 30,000 serviced lots nor 12,000 dwelling units. You have missed both targets on that.

Hon. Mr. Irvine: All I am saying to you is that we talk first of all about serviced lots—

Mr. Cassidy: Yes, you have failed.

Hon. Mr. Irvine: No, we haven't.

Mr. Cassidy: Sure.

Hon. Mr. Irvine: We haven't at all. We have every indication we'll have the serviced lots by the end of the fiscal year.

Mr. Cassidy: Not 30,000.

Hon. Mr. Irvine: There will be 12,000 in 1974-1975; 28,000 in the fiscal year 1975-1976. We have every indication that that is going to be met—if we receive, as I mentioned before, the co-operation which we have to have from various sources. And I am talking about the federal government as being the one which is the primary concern to us at this particular time, because of the high interest rates, because of the lack of mortgage lending funds. I think this is where we have to make sure that the province has programmes which will supplement those which are inadequate at the federal level.

We are hoping that when Mr. Turner's budget comes down next week that we will have some extra funds for Mr. Danson to apply to Ontario. We don't know for sure whether we will or not, but we certainly expect to.

You have talked at some length about the families with under $5,000 income. Well, let me say to you that the average family income in Ontario, to my knowledge, is in the neighbourhood of $14,000. Right?

Mr. Cassidy: Yes.

Hon. Mr. Irvine: Now, when did you ever expect in any day of 1974 or 1975 that you could own a home while making $5,000—with the mortgage rates that we have now, with the cost of living that we have now, with the inflationary factors that keep escalating every month? It's absolutely impossible.

So we have applied rental funds which will provide rental accommodation to a rent-geared-to-income, and through our senior citizens accommodations, to our non-profit community organizations, we have endeavoured to provide rental accommodation for those families in that income. There is absolutely no way in my opinion that you can expect homes to be built and paid for for any family that has an income of approximately $5,000. It's a ridiculous socialist philosophy, as far as I am concerned.

Mr. Cassidy: I think the people earning that kind of money would be interested to see that statement from the minister.

Hon. Mr. Irvine: Well, certainly I would be quite happy to have them see it, because I say to you that you are in a dream world. You don't understand what figures add up to. You talk and talk about a philosophy, but the reality comes out in cold, cold facts. You have to have so much money to pay your debts. And if you think a family making $5,000 can have a home, can buy their food, can pay for their clothes, can provide all the niceties of life that everyone wants in this modern day, I just say it's ridiculous. There is no way.

Mr. Cassidy: You are not doing anything else for them either, though.

Hon. Mr. Irvine: The thing that we are doing, as I said, we are providing rental accommodation—

Mr. Cassidy: At a picayune rate.

Hon. Mr. Irvine: —through the private enterprise system and through our own—

Mr. Cassidy: At a picayune rate.

Hon. Mr. Irvine: —funds which we have provided; and through the federal funds, which we have assisting us through these programmes.

We think that there is every reason to be proud of the OHAP programme. You have not torn the programme apart in the least. As a matter of fact, you've only substantiated what I said last night. I went into full details for the member for St. George (Mrs. Campbell). There is no way that I am going to go through it again.

Mr. Cassidy: No, no, I have read them.

Hon. Mr. Irvine: You have certainly not interpreted what OHAP has done for the people of Ontario correctly, and I think the people of Ontario will be delighted to see your statements.

Mr. Cassidy: Yes.

Hon. Mr. Irvine: And I intend to make sure that they understand what the socialist party of this province is trying to do for them.

Mr. Cassidy: Yes.

Hon. Mr. Irvine: They are trying to discredit a very good housing programme, and one which is being brought forth to the people at a much lesser rate—

Mr. Cassidy: We have pierced so many of your programmes over so many years—they are headlines and nothing else.

Mr. Chairman: Order please. The hon. minister has the floor.

Hon. Mr. Irvine: Mr. Chairman, could I ask the hon. member to say it again? I couldn't quite hear it. Would you repeat the statement? I'm sorry, I couldn't hear it.

Mr. Cassidy: Yes. There has been a consistent criticism by this party of government housing programmes, pointing out that they promise a lot and never deliver it. And that's the case in the Housing Action Programme as well.

Hon. Mr. Irvine: Thank you, Mr. Chairman. Now, let me then say to the hon. member that this province has brought forth as many units as possible. We have provided more housing units than any other jurisdiction. Housing has declined all over North America, all over Canada, in every other province—

Mr. R. Gisborn (Hamilton East): We need more. The minister knows that the statement doesn't add up to anything.

Hon. Mr. Irvine: —and there is absolutely no way that you are going to meet unrealistic targets unless you adjust the interest rates and unless you have the proper mortgage funds. We have asked continually that this be provided to the Province of Ontario through the federal government, and it hasn't been done. We have asked continually that the inflationary pressures be reduced, be constrained. Instead of that, no action has been taken—whatsoever.

Mr. Cassidy: But the government would never move in on developers, no; never take over the land, no; never bring in any kind of—

Hon. Mr. Irvine: Let's talk a minute about the developers. You have never experienced as good an agreement anywhere in Canada as we have here right now. These agreements are something to be proud of.

Mr. Cassidy: How much did it bring the price of land down, though?

Hon. Mr. Irvine: Let me take the cost of the units. Let me tell you this, you can't go anywhere in Metro Toronto and have comfortable accommodation for the prices that are in here. I will challenge the member to do that; you can't do it. Therefore, I say that OHAP has provided housing at a reduced rate to a great many people, and we are going to continue to do it. We are going to have another announcement for you next week, and another one after that—and we are going to continue to haunt you. We are going to taunt you every week we can. We are going to disprove every statement you make here.

Mr. Cassidy: If the minister can do it; I'd welcome it; but I don't think he can.

Hon. Mr. Irvine: We are going to do it, so don't just think we're bluffing with figures. We are coming in with figures. I want to make awfully sure that you also understand that even though houses are under construction, what is to stop the owner of that particular development from not completing the particular unit? Nothing. It is a free world; he can stop completely. We ensure that these units are brought into the market at reasonable prices, and much lower than at the market value we have on today's market. We have stabilized the prices in the areas where OHAP has been effective. We expect to lower the prices some more.

Mr. Cassidy: The minister lives in a dream world, he really does.

Hon. Mr. Irvine: The member for Ottawa Centre doesn't understand the figures—

Mr. Singer: It is a saw-off—the minister doesn't understand him, and he doesn't understand the minister.

Hon. Mr. Irvine: All you have to do is take a look at this—and the member for Downsview might agree with this, too, if he had a look at it; he might understand it—that those figures are something which can be backed up. They are not a philosophy; they are actual facts. He has been around quite a bit, he might admit they're pretty good prices. How many deals has he had that he could give to any of his customers at those prices?

Mr. Singer: They're not customers, they're clients.

Mr. Cassidy: This is incredible.

Hon. Mr. Irvine: What I am trying to say to the hon. member for Ottawa Centre is that he just doesn't know the programme; he just doesn't know what we have done.

Mr. Cassidy: This is incredible.

Hon. Mr. Irvine: He has criticized OHAP, which is very successful. We have provided rental accommodation to the people who have lower incomes than $8,000. We assist those earning $8,000 to $14,000 to $18,000—the low to medium income wage earner.

As far as we are concerned we see a great need for the municipalities, the private enterprise system, the federal government to assist every province, especially in the Province of Ontario, to make sure that we have more housing units than we had predicted. We predicted 90,000 units and we think we will meet that target. But we say that is not enough; we say there is a need for more. So there is a need for the federal government—

Mr. Cassidy: In a 15-month year.

Hon. Mr. Irvine: —to act very quickly to meet the social needs of our people. We have put more money into housing than any other government.

Now, Mr. Chairman, the hour is moving on; I know there are some other questions. I have an answer to a question which was asked yesterday, which involved several members, so I wish to make sure that we carry on with the rest of the vote.

Mr. Cassidy: Just very briefly, Mr. Chairman—I recognize the time too and the member for St. George wants to have a word or two.

I find this entire discussion by the minister quite bizarre and unreal. He proudly states that since half of the families in the province earn less than $14,000, it's a good thing that OHAP is coming in in order to provide three-bedroom accommodation only for families earning $14,000 or more. Anybody who is a wage earner who works in a factory, who earns the average industrial wage in Toronto of around $3.70 or $3.90 an hour, and who has a couple of kids or more and wants to get involved, simply can't; and the minister sees nothing wrong in that, nothing wrong at all. I just find that bizarre. I would have thought that the purpose of this government's housing policy would have been to ensure that people on low and moderate incomes did have access to housing, and I would have thought that low and moderate incomes, by definition, would both be under $14,000, if you want to cut it up, and middle incomes above $14,000.

Hon. Mr. Irvine: Access to housing, I said they have.

Mr. Cassidy: Pardon?

Hon. Mr. Irvine: Access to housing, I said they have.

Mr. Cassidy: The minister admits that nothing—what's that?

Hon. Mr. Irvine: Be careful of your terminology.

Mr. Cassidy: The terminology of the minister is as Alice in Wonderland. If he really calls moderate incomes up to—

Hon. Mr. Irvine: Ownership. The access to housing is a different thing.

Mr. Cassidy: If you want to talk access to housing, the ministry is building less than 2,000 new housing units for families under the Ontario Housing Corp. this year, and the minister knows perfectly well the amount of demand that's being created there by the condominiumization, by people getting kicked out, by demolitions of older housing and all the rest of it. He knows perfectly well that people in low income groups of below $5,000 or below $9,000 are being pushed around in the housing market, and yet the response of the ministry is pitifully small. It is negligible. It just isn't there.

Sure, I don't expect that every family earning under $5,000 would be in a position to own their own home, but when you have got

to be in the upper half of incomes in the province in order to afford a family home which is brought on to the market through the Ontario Housing Action Programme, and when nothing is being done if you are in the bottom half, then you have got to ask, who is it that this government serves? who is it this government looks after? and what about those people who are being left out in the cold by the Ontario government's antisocial housing policy?

Hon. Mr. Irvine: Mr. Chairman, before we let that one go, again the member was absent and again I am going to read very briefly into the record so that the member can't send his Hansard home without any reply, because I know this is what he delights in doing.

Let's got through the whole issue which I went through before the House only a couple of days ago, when I reported on all the programmes as they stood up to Oct. 31, 1974.

In family housing, we have 416 starts recorded and 1,716 projected by the end of this fiscal year. The target set in May was 2,000, so we are meeting the target.

Mr. Cassidy: The target was pitiful to begin with.

Hon. Mr. Irvine: A little bit over. We are a little bit over.

Mr. Cassidy: The target was pitiful in relation to need.

Hon. Mr. Irvine: Senior citizen units, 3,756 starts to date, 6,015 projected for the full fiscal year Our target was 6,000.

Mr. Cassidy: Your family housing starts would take five years to meet the Metro Toronto demand.

Hon. Mr. Irvine: Integrated community housing, 428 starts to date and 2,520 projected for the full fiscal year, against a May target of 2,000. Now, 25 per cent of those units are rent supplement units. In the HOME programme, we have 1,815 starts to date, with 4,669 projected for the fiscal year of 1974. The target was 6,000, set last May. Community sponsored housing, we have 1,103 starts to date, with 2,300 projected in the fiscal year of 1974, which is 300 more than the target set last May. Rent supplement, 607 starts to date, 1,300 projected for the full fiscal year, 200 over the May target of 1,100.

Again, Mr. Chairman, as I have said before, we have directly influenced 10,125 housing starts so far. I want to say that the target set last year, last May, for the fiscal year is 19,100 starts. We will be very close to that; we might even be over that if we get the co-operation we look forward to getting. Read Hansard.

Mr. Chairman: The hon. member for St. George.

Mrs. M. Campbell (St. George): Mr. Chairman, I'll be brief on this vote. I, for one, am very pleased that the minister is prepared to taunt the opposition with figures so long as those figures are translated into housing starts. I, for one, will welcome that particular exercise if it means that we are providing housing for people at some kind of rate which is realistic, having in mind the problems in housing at this time.

My question is, of course, who really will have the right to develop an equity in housing? From anything the minister has given to me, including his statement of last night, which I've had some slight opportunity to go over, I am still of the opinion that this will be restricted to the top 40 per cent of the population earning over $14,500 a year. Therefore, what we face in this province is that the less affluent will continually be forced to add to their landlord's equity, whether that is the government as a landlord or private landlords.

I would just like to make a brief reference to one of the suggestions made by the NDP in their opening remarks for improving the present situation. Their suggestion was to lengthen mortgage amortization periods over much longer periods of time as a way to reduce the monthly carrying charges. They recognize that this, of course, would substantially increase the cost of the housing, but they felt that it would be worthwhile.

From our point of view—and this leads into the HOME programme if you take a figure of $20,000, at 10 per cent interest amortized over 30 years, the cost is $172.54 a month; amortized over 35 years it is $168.85; and over 40 years it is $166.66. But the problem is that in extending the amortization period, the equity buildup is very slow. Finally, if you reach an amortization period of over 40 years, then at the end of 10 years the owner would probably have built up an equity of some $680, as opposed to an equity of $1,880 after 10 years over 30 years' amortization.

Mr. Chairman, I would like to comment on the HOME programme because it comes, I think, in two parts. First of all, there is the real fact that the people who are purchasing

under the HOME programme are not really aware of what the implications are for them. It should be absolutely incumbent on the Ontario Housing Corp. to explain the situation to the prospective buyers so that they understand exactly what they are getting into through this lease arrangement.

Surely it is possible, particularly if the federal government brings in this $500 grant for down payments, for this government to match that to at least assist in the purchase rather than the rental proposition in the HOME programme. I would ask that the minister give some consideration to that suggestion.

I think it's important to point out that a $15,000 lot, at 10 per cent interest amortized over 35 years, results in a monthly payment of $126.64. A $15,000 lot, leased at the same 10 per cent, at random results in a monthly lease of $125. The actual savings in the monthly charges in those two cases is $1.64. In the one situation however, the buyer owns his land after the 35 years and in the other situation he owns nothing. I think it's important, Mr. Chairman, that we do proceed to have some sort of disclosure to people as to the effect of what is happening to them in this total programme.

I am not going to comment further on the answers given last night. As I indicated to the minister, the figures are just not borne out by our investigations. The minister very kindly offered to co-operate with me in checking them down at some future date, so that perhaps we could be very careful not to mislead people as to the starts as of the end of this year, which we were discussing. That was the real nub of it. Whatever may have been said about the fiscal year, we were talking about, and the report deals with starts as of Dec. 31. This is the conflict in the statements which have been made to date Mr. Chairman.

Mr. Chairman: Does the hon. minister wish to respond?

Hon. Mr. Irvine: Yes, very briefly, Mr. Chairman. I just don't understand where the conflict is between the calendar year and the fiscal year. We've never at any time talked about the calendar year.

Mrs. Campbell: Dec. 31 in my book is not the end of the fiscal year but the end of the calendar year.

Hon. Mr. Irvine: I can understand Dec. 31 is the calendar year.

Mrs. Campbell: Thank you. That's what I thought too.

Hon. Mr. Irvine: I thought so, and probably most people would in this House. In any event, when we take a look at page 15 in "Housing Ontario/74", and it has been quoted, we are talking about the fiscal year 1974-1975. It is very plain; it is about as plain as you can make it. I don't know why we keep questioning that point, when for everything that is happening in this House day by day, we are talking about the fiscal year. Nobody can deny that. The Treasurer's budget is on the fiscal year, not Dec. 31.

Mrs. Campbell: We are aware of that, Mr. Chairman.

Hon. Mr. Irvine: I'm not going to go any further than that. Surely we can make the record pretty clear that we are talking about the fiscal year rather than the calendar year.

You talked about incomes. In the summary that I gave you, doesn't it appear evident to you that over 50 per cent of them—1,622 units out of the 3,033—are for those in income ranges under $14,500? I read that out before.

Mr. Cassidy: But those are for small families. Those are one- and two-bedroom units. That's the problem. Are you going to have infanticide in this province?

Hon. Mr. Irvine: Again, Mr. Chairman, has the member got this report or not? Can't he read and see how many three-bedroom units there are?

Mr. Cassidy: Sure, but they are all for people earning over $14,500 a year, apart from 36 apartments, 36 townhouses and 120 in Ottawa and apart from the HOME units.

Mr. Chairman: May I draw to the attention of the hon. member that the minister was responding to the member for St. George?

Hon. Mr. Irvine: Yes. I think I'll confine my remarks to the member for St. George. There is more hope there. I can't seem to get through to him to provide the information for the hon. member for Ottawa Centre.

But in any event the units are available for those who have incomes less than $14,500; 1,622 units as I said before. Then we have the 1,411 for those between $14,500 to $20,000. I think that is an excellent mix. We have an excellent mix also of the one-bedroom, two-bedroom and three-bedroom units and at excellent prices. I don't think there is any debate on that point.

Mr. Cassidy: The minister is blind.

Hon. Mr. Irvine: We go into the matter of HOME, which is in the next vote. I think probably we should discuss it then.

Mrs. Campbell: I thought we had been discussing it all along.

Hon. Mr. Irvine: No, we are at OHAP now, the Housing Action Programme. We can go into HOME later. But I have a statement to make which is going to take some time.

Mr. Singer: Is that in reply to what the leader put forward yesterday?

Hon. Mr. Irvine: Yes, I had it last night and we ran out of time.

Mr. Singer: I am very anxious to hear that.

Mr. Chairman: Shall vote 803 carry?

Vote 803 agreed to.

On vote 804:

Mr. J. E. Bullbrook (Sarnia): Are you ready now?

An hon. member: Go ahead.

Mr. Chairman: Item 1.

Mr. Singer: Have you got some copies of it?

Hon. Mr. Irvine: No, but I'll give you a copy if you wish.

Mr. Chairman: May I ask the hon. minister if the statement applies to any of the items, or is it general, applying to vote 804?

Mr. Cassidy: We would like to take the—

Hon. Mr. Irvine: It applies to OHC, the allegations which were made yesterday afternoon by the Leader of the Opposition (Mr. R. F. Nixon), and—

Mr. Bullbrook: On a point of order, why do we start in a provocative fashion? They weren't allegations at all, they were statements of fact and questions. There were no allegations.

Hon. Mr. Irvine: We'll come to the terminology. As a lawyer you can use whatever you wish. I want to make a statement in reply.

Mr. Bullbrook: Okay.

Mr. Chairman: Does the House agree that we take vote 804 collectively?

Mrs. Campbell: Let the minister make his statement.

Mr. Chairman: Will the minister make his statement?

Hon. Mr. Irvine: Mr. Chairman, I promised yesterday to reply as soon as possible in these estimates to the Leader of the Opposition in regard to his remarks about the land assembly north of Oakville, or South Milton, as I'll be referring to it from now on. I had this statement prepared last night. I was ready to give it last night; I indicated to the member for Sarnia that I did have it. We didn't have time to deal with it.

Mr. Bullbrook: We wanted a reply immediately, but we agree that it wasn't drawn out.

Hon. Mr. Irvine: Thank you. I would like to say, Mr. Chairman, that the Leader of the Opposition, in my opinion, in his typical fashion, is looking at the odd tree and arriving at a faulty conclusion about the whole forest. Before dealing with his specifics, let me discuss with the hon. members the strategy of assembling major blocks of land. This is a strategy employed by the private sector, by Central Mortgage and Housing Corp., by the federal-provincial partnership, and since 1964 by the Ontario Housing Corp. when it took over the role of the partnership in this province.

The opposition has on previous occasions in this Legislature criticized the government for failure to acquire substantial land holdings. I think, Mr. Chairman, it would be appropriate to discuss briefly the reasons for public land assembly programmes before describing the techniques used by the Ministry of Housing and its agencies for this purpose. It has been the policy of previous provincial governments to acquire substantial land banks near major urban centres. This government has continued this programme until recently. Acquisition of such land ensures participation at reasonable cost—

Mr. Singer: Now we are getting to it. Reasonable cost, that is what we were asking.

Hon. Mr. Irvine: —in the future growth of these new communities or the present communities, by these means: Implementation of broad provincial land-use plans, minimizing the effects of land speculation in the more rapidly developing areas of Ontario; minimizing the loss of betterment value; ensuring housing at reasonable cost; assisting regional and municipal governments in controlling the pattern of growth and rate of

development; providing a means of developing communities to a higher level of socio-economic achievement.

Lands selected for acquisition are located in areas which have been designated for urban growth under various regional economic planning aspects, or in accordance with established official plans. The location of specific sites is determined after consultation between other involved government ministries and agencies, the Ministry of Housing planning staffs and Central Mortgage and Housing Corp.

After the site has been selected it is then necessary to determine the acquisition technique. Basically, we have two choices, Mr. Chairman; to purchase it on the open market, or expropriation. It is difficult to establish a justification of need for expropriation unless and until a development programme is determined, including time frames. But while our government has on occasion expropriated strategic holdout parcels within a land assembly, it has generally followed the free market processes. There is little doubt, Mr. Chairman, that this has resulted in most cases in speedier and more economical land acquisition. The purchases have been made from willing vendors and there has been minimum complaint by the public as to the method used.

Mr. R. F. Nixon (Leader of the Opposition): I think the Freedmans were very willing.

Hon. Mr. Irvine: As I have said, the techniques used by the provincial government are identical to those used both by the private sector and by the federal government, acting either on its own behalf or under a partnership arrangement with the province.

Once the acquisition technique has been determined, a real estate broker is then selected to acquire land, acting as an agent for an undisclosed purchaser. The number of real estate firms across the province having the expertise to undertake this specialized form of real estate activity is very limited, and the government has therefore only engaged real estate brokers with proven experience in land assembly techniques, staff capability for the specific acquisition, and with local knowledge. It will be understood that extreme confidentiality is required during the acquisition process and that land prices tend to escalate rapidly when the pattern of an assembly becomes evident. It is therefore vital to secure substantial acreage quickly, and a variety of techniques are employed toward this end.

As a means of determining the probable price of land to be acquired, staff surveys are first undertaken of the area, including an examination of current listings and current inquiries from all owners. We have current inquiries as to the willingness to sell and as to what their asking prices are. Real estate brokers, with their professional staff, appraise the market before a target price is determined. Initial attempts to purchase are made at low prices and close liaison is maintained with ministry staff until a minimum acquisition price is established. These prices are reviewed from time to time and the acquisition proceeds on the basis of acquiring the total lands at the average price previously determined.

Using generally this technique the province during the 1950s, under the federal-provincial partnership, secured major land assemblies in municipalities such as Scarborough, Hamilton Mountain, Ottawa, Guelph and a few others.

Mrs. Campbell: Prescott.

Hon. Mr. Irvine: Since 1964, OHC has carried out some very significant land assemblies, again using this technique, throughout the Province of Ontario, either on its own account or in partnership with the federal government. Some of these are: Waterloo in 1968; Oakville south from 1968 to 1970; Brantford township in 1970; Ottawa in 1972, and early 1973; Windsor in 1972; Milton south in 1973, and Whitby north in 1973.

In all these areas the technique of identifying potential growth areas, establishing the average price that should be paid throughout the assembly based on local knowledge, employing a local real estate agent to carry out the land assembly in accordance with the principles I have previously outlined, was used at all times. These assemblies now have a total acreage of approximately 15,400 acres.

In late 1972 the corporation recognized that in the Toronto central region the inventory on long-term land was basically Malvern, and that if they were going to have any input whatsoever in housing in this area, they had to have a land strategy.

Discussions took place between the central Ontario study group and OHC in order to identify potential growth areas. It was recognized by the government and by OHC that it was necessary to make an early acquisition of considerable land for future community growth in the Toronto central region in accordance with the objectives I have previously outlined. The area identified was between Bowmanville and Burlington.

At the same time, the federal government had made available $500 million for urban landbanking for Canada for five years. To use these funds the provincial government, through OHC, moved to identify specific areas of growth potential and received general approval from the federal government in 1973 for the use of $63 million out of the total federal government budget of $100 million for that year.

Publication of the parkway belt west study identified more specifically the South Milton site for future urban growth. This document was published on June 6, 1973. It was recognized that this document would hasten land speculation in the Oakville-Burlington area. It was recognized that because of restrictions on substantial urban growth within the present Metro boundary and, with the Toronto land market being very dynamic, it was essential that the province acquire, as quickly as possible, sufficient acreage to avoid the pattern of future land speculation. At that time land prices in the Milton area, along with other heavily urbanized areas, were escalating monthly. I repeat: They were escalating monthly.

The first priority area was in Oakville south, where the corporation wished to expand its already existing landbank of 1,300 acres. OHC very quickly found that land prices were up to $15,000 per acre. Given these prices, no further action was taken. The second priority area was South Pickering, where prices were similar; and once again no action was taken. Two other areas were identified, South Milton and Whitby north.

Now I want to deal very specifically with the South Milton area, where it was decided to assemble approximately 4,000 acres out of the 8,000 acres identified in the June 6, 1973 report. General approval was obtained by OHC from the government to acquire sufficient lands at a price not to exceed $7,000 per acre.

OHC, acting on behalf of the Province of Ontario, undertook a survey of the price of lands in the Milton area in October, 1973. The survey was carried out by a senior member of OHC who is an experienced appraiser.

Mr. R. Haggerty (Welland South): At $7,000 an acre it should be!

Hon. Mr. Irvine: In addition, the corporation consulted with principals of Gibson Willoughby Ltd., who confirmed that the asking prices in the South Milton area ranged from $6,000 to $8,000 an acre.

Mr. Bullbrook: What was the date of that, please?

Hon. Mr. Irvine: October, 1973.

Mr. Bullbrook: October, 1973.

Mr. Singer: Was the senior official qualified? Was he a qualified evaluator. Does he belong to—

Hon. Mr. Irvine: He is an experienced appraiser—

Mr. Singer: No, does he belong to any of those associations.

Mr. Bullbrook: Does he belong to the Appraisal Institute of Canada?

Hon. Mr. Irvine: If you'll let me finish—

Mr. Singer: Tell us his name and his qualifications.

Hon. Mr. Irvine: If you'll let me finish; fair enough?

Asking prices in the South Milton area ranged from $6,000 to $8,000 per acre and could be expected to increase. The firm of Gibson Willoughby was authorized, on behalf of the corporation, to negotiate the acquisition of up to 4,000 acres of land as quickly as possible in a prescribed geographic area south of Milton. The reasons this firm was requested to proceed as quickly as possible were that indications at that time were that prices by the summer of 1974 would further escalate.

Mr. Bullbrook: You got no appraisals—that is the answer.

Hon. Mr. Irvine: A random sampling of unlisted property indicated unwillingness to sell at prices from $4,000 to $6,000 per acre. In some instances they were not willing to sell at all.

Mr. Haggerty: Didn't the land speculation tax lower it?

Hon. Mr. Irvine: As is customary in determining the prices to be paid for large-scale land assemblies, the formal appraisal mechanism was replaced by a study outlined previously of land prices prevailing in the area and consideration of future trends, as I described above. The land assembly negotiated by the firm of Gibson Willoughby Ltd., acting on behalf of an undisclosed purchaser. Initial offers to purchase were not to exceed $3,500 per acre, and it was only after very considerable effort to obtain the land in this price range that the offers were in-

creased gradually until agreement was reached on prices within the agreed range.

The OHC staff at all times controlled the activities of the real estate broker and the acquisition progress was constantly reviewed.

Mr. Singer: Oh, come on.

Mr. Bullbrook: There should be a public inquiry right now.

Mr. Chairman: Order. Let the minister finish his statement.

Hon. Mr. Irvine: It should be pointed out that during the initial stages of this land assembly, Mr. Chairman, offers or options to purchase were being resold without registration. It was impossible at that time to determine, in some cases, what the vendor had actually paid for the land.

Our objective was to assemble land within target prices in a specified geographic location to stabilize prices in the area and provide for future government requirements. I say to the hon. members today that I feel that those objectives have been met.

Mr. Haggerty: At $7,000 an acre?

Hon. Mr. Irvine: Now, Mr. Chairman, let's deal with some of the very specific comments made by the Leader of the Opposition concerning the South Milton land assembly.

It is not, as he stated, that the Milton law firm of Holden, Perras, Ford and Haesler undertook the purchase on our behalf. The lands in question were purchased by the firm I mentioned before, Gibson Willoughby Ltd., and the law firm in question performed the legal work.

The reference to an OHC spokesman, Ross Howard, which he quoted from the Oakville Beaver, is a misquotation. Mr. Howard made no such statement about a city with an eventual population of one-quarter of a million.

Mr. R. F. Nixon: I was just quoting from the newspaper.

Hon. Mr. Irvine: Mr. Howard merely reiterated, as I did in my press release of July 4, that the "lands were acquired for land banking purposes and we have no immediate plans for their development."

The hon. Leader of the Opposition indicated a concern about the lands remaining in agricultural use. I want again to quote from my press release, where I made it very clear:

> A sad effect of the land speculation in these areas, particularly Oakville north, has been the withdrawal of land from intensive agricultural production. This has been a matter of much concern to us and we are taking steps to remedy the situation.

Mr. Cassidy: This was happening years ago.

Hon. Mr. Irvine: It went on:

> In co-operation with the Ministry of Agriculture and Food, the Ministry of Housing will make every effort to increase intensive agricultural production on the lands under their control.

For the information of the hon. member, the experience in the OHC land assembly in south Oakville has been that agricultural production has increased substantially since the lands came under OHC control, and I have leases to bring forward, if necessary.

The hon. Leader of the Opposition mentioned that in one instance one of these companies purchased land just 31 days before the government of Ontario acquired it.

Mr. R. F. Nixon: Thirty-two.

Hon. Mr. Irvine: Thirty-two, sorry.

Mr. R. F. Nixon: Feb. 8 to March 12.

Hon. Mr. Irvine: While the records may reflect that date, the actual date of purchase, or the closing date, is not necessarily the date on which the company optioned the land.

Mr. Bullbrook: All right, what is the date? You tell us the date.

Hon. Mr. Irvine: And it may very well have been before the final date the purchase was registered.

Mr. Bullbrook: Are you saying it was? Come on, you don't do that.

Hon. Mr. Irvine: It is the practice to option land.

Mr. Bullbrook: On a point of order, do you have information that it was any other date? If so, you've got an obligation to tell us. Now don't again deflect "may well have been." Let us know what you know.

Hon. Mr. Irvine: It is the practice to option land Mr. Chairman, for a considerable time before making the final purchase arrangements.

An hon. member: It is not.

An hon. member: Try to answer the particular question.

Hon. Mr. Irvine: The hon. member also mentioned that these companies purchased seven properties.

Mr. Bullbrook: You must think we have no experience in these matters at all.

Hon. Mr. Irvine: But I would like to point out that these were only seven of the 22 purchases made in that land assembly.

Mr. Singer: Is that a fair sample?

Hon. Mr. Irvine: Furthermore, the hon. Leader of the Opposition referred to government purchases at grossly inflated prices.

Mr. Singer: I would say he is right.

Hon. Mr. Irvine: I would advise that these companies received, on average, no more than any of the other owners of the land in this assembly.

Mr. Singer: Oh, come on.

Mr. Bullbrook: What you are saying in effect, is two wrongs make a right.

Mr. R. F. Nixon: Twenty-two wrongs.

Hon. Mr. Irvine: One might suggest that maybe, in the first instance, the original owner didn't receive enough money.

Mr. Bullbrook: All right, they all got too much.

Interjections by hon. members.

Mr. Chairman: Order please. Let the minister finish his statement.

Hon. Mr. Irvine: I want to say there has to be a realization—

Mr. Bullbrook: You are saying they didn't get too much because they got the same as the others. They all got too much.

Hon. Mr. Irvine: I want to say that people should make some money in a transaction.

Mr. Bullbrook: Are you saying that any percentage profit is permissible?

Hon. Mr. Irvine: If people wish to sell and buy, that's up to them.

Mr. Bullbrook: Are you saying that 80 per cent profit is too much?

Mr. Chairman: Order please. Will you let the minister complete his statement?

Hon. Mr. Irvine: That is beside the point entirely.

Interjections by hon. members.

Hon. Mr. Irvine: I want to advise that the highest price paid per acre in this land assembly was $6,000.

Mr. Bullbrook: Not by the Freedmans it wasn't.

Hon. Mr. Irvine: It was not to one of the companies referred to.

Mr. Bullbrook: The Freedmans didn't pay $6,000 a month before. They paid $3,000.

Hon. Mr. Irvine: The lowest price was $4,100 per acre. The average price paid to the companies the hon. member mentioned was $5,500 per acre. The hon. member mentioned that the corporation did not reflect good basic business acumen. I would suggest, from my earlier comments concerning land assembly, OHC was certainly using good business practices.

Mr. Bullbrook: They were not.

Hon. Mr. Irvine: The hon. member for Downsview made a number of comments with respect to appraisals.

Mr. Singer: Yes, I did.

Hon. Mr. Irvine: I would advise that the techniques used for this land assembly, which I have just outlined, were not detailed appraisal techniques.

Mr. Singer: Yes, we gathered that.

Mr. Bullbrook: I take it we will have a copy of the study.

Hon. Mr. Irvine: Now, as I mentioned yesterday—

Mr. Bullbrook: We will have a copy of the study?

Hon. Mr. Irvine: —there is a relationship between the land speculation tax and the major land assemblies.

Mr. Bullbrook: It has no relationship.

Hon. Mr. Irvine: Up until April 1974, the major method of the government in intervening in the housing market was done through OHC, by both direct housing development and major land assemblies. Since that date, and with the effects not only of the speculation land tax but also the housing action programme, the accelerated develop-

ment of existing OHC land holdings now give us a much broader approach to the supply of affordable housing.

Mr. Bullbrook: You betcha; and don't allow the Ontario Housing Corp. to buy another thing for you if they are going to spend that kind of money.

Hon. Mr. Irvine: One of the comments that was not made was that the corporation, by purchasing some 2,300 acres centrally located in this proposed urban area, now very effectively controls, in collaboration with the regional government, the timing and the rate of development for future residential, commercial, industrial and agricultural land use in the South Milton area.

I want to turn to the broader strategy in the Toronto central region, to point out to all of the hon. members, through you, Mr. Chairman, that our present holdings include approximately 17,000 acres in North Pickering, 2,300 acres in north Whitby, our current developed holdings in Malvern and Edgely in Metro Toronto, our 1,300 acres in south Oakville, the 2,300 acres in South Milton, our Saltfleet holdings, and finally, the recent acquisition of lands in Haldimand-Norfolk.

In my opinion these holdings will give the province a very major role in the future housing development of this province. Without the initiatives of OHC and without these lands we cannot ensure in the future land that would be developed for the low and moderate income people of this province.

I think OHC acted fairly responsibly. We have been told that the lands acquired are presently worth more money today than they were at the time of purchase.

Mr. Bullbrook: That amount isn't in Ontario.

Mr. R. F. Nixon: I'd like to make a brief comment on what the minister has said.

Mr. Chairman: The hon. Leader of the Opposition.

Mr. R. F. Nixon: Thank you. In trying to follow his justification I must point out to you that as a businessman from Prescott, a person who had the responsibility of the taxpayers' money in that town, it seems incredible that he would try to justify this system of blanket evaluation—and I have just been following it case by case here—because he said Gibson Willoughby, through someone he is not prepared to identify, had indicated a professional judgement that the properties they were concerned with were worth an average of $6,000 an acre in October of 1973.

Hon. Mr. Irvine: Yes.

Mr. R. F. Nixon: But I'd like to point out to you that Mr. and Mrs. Freedman, through Bonnydon, were able to buy at least 83 acres on Oct. 11, 1973, for just about half that. Maybe they didn't consult Gibson Willoughby.

Mr. Bullbrook: How did they do the study?

Mr. R. F. Nixon: Maybe they used their own judgement and went out to buy the property on an entirely different basis, without the encumbrances of the sort of professional and technical advice that the minister and the taxpayers evidently have to put up with.

Surely this kind of a blanket evaluation is an irresponsible way of doing business with public funds. I submit to you that the minister wouldn't use it for his own money, and that for him to try to defend this process is nothing short of irresponsible when we think that, as the minister says, the seven cases we picked out weren't even the worst ones. There were 22 cases in all in that one land assembly and in some cases he paid more even than the cases we brought to your attention, Mr. Chairman. The justification for a blanket evaluation as of October, 1973, simply shows that someone who is knowledgeable in the market would never have given that evaluation in the first instance, and perhaps somebody at Gibson Willoughby figured that it wouldn't make any difference what the government paid anyway, because they have a bottomless barrel of money with which to purchase these properties.

Let me also point out this, that the government was prepared to subvert the development rights of many owners through the imposition of green belt planning, and this is very, very close to that green belt, an area which is subject to local restrictions, since it is designated agricultural.

Yesterday the minister was shaking his finger at me saying, "You don't know what use it was put to." Presumably it wasn't being opened as a gravel pit. Presumably it was not being paved over as a subdivision, as the minister may eventually do. Presumably it was not a shopping centre. He is concerned that it wasn't in productive agriculture. I would submit to you, Mr. Chairman, that the Minister of Revenue (Mr. Meen) or someone else could very well bring those thousands and thousands of acres of golden-

rod around this city into productive agriculture very readily indeed by changes in the tax situation, rather than resorting to the Minister of Housing paying these inflated amounts with taxpayer's money with the kind of inadequate advice that he has attempted to justify this afternoon.

We have called for a full investigation into the administration and business procedures of Ontario Housing. The explanation that the minister has given us in no way deters us from continuing to call for such an investigation. Obviously their business practices are unwieldy. They are resorting to the kind of advice that is a part of the great real estate club that has grown up around this metropolitan area and across the province. They are not taking the hard-headed business decisions that a corporation formally separated from government was intended to take.

We on this side are really amazed at the attempt to justify the expenditure of many millions of public dollars in acquiring these lands for the purposes laid out. Their agricultural future, or at least the control on their development, was already established under local by-law, which is really directly under the control of this minister and to some extent the chief planner who is presently travelling in Arabia. I cannot see that the justification comes close to it. We really expected, after the minister would have a day to consult with his officials, that he would lay on the table for us today a property-by-property, parcel-by-parcel evaluation by competent appraisers certainly, rather than simply a letter which may be in his possession from somebody in Gibson Willoughby that he would be safe in buying this for $6,000 an acre because next year it's going to be worth more. Twenty years from now it may be worth $20,000 an acre, but that is a very, very poor way for the public business to be conducted.

Maybe you should hire Mr. and Mrs. Freedman. They certainly seemed to know that that land was going to be increasing in value. They came in in October, 1973, and bought those properties for about $3,000 an acre and in one case less than that. Why couldn't Ontario Housing have done that for the good of all the people of the province, if their decision was that they had to have that land? Rather than subject themselves to this kind of a purchase, they should have at least considered expropriation, if it was that important to save that parcel of land, to save it from the encroachment of goldenrod because it wasn't being encroached by anything else.

An hon. member: They thought there was gold there.

Mr. R. F. Nixon: The decisions surely are insupportable and the explanation of the minister is thoroughly unacceptable. The minister was being somewhat critical about our motion to reduce his salary. I will tell you, Mr. Chairman, that that's the only resource we have in these estimates to indicate that we feel that the decisions taken by the minister and his predecessors have been irresponsible in this particular area and in countless other acquisitions in every part of this province.

We can't afford to use the valuable time and the scarce time of our research assistants, paid for by public dollars, to go out into all of these registry offices and follow up Ontario Housing in every one of their acquisitions. Certainly we were looking for some evidence that perhaps there was previous knowledge, and there is none whatsoever in these. What we are concerned with is that public dollars are being squandered by the lack of business acumen that should be a part of those people who are conducting the day-to-day business of the Ontario Housing Corp.

Hon. Mr. Irvine: Mr. Chairman, before the member for Downsview gets up, the hon. Leader of the Opposition doesn't admit to the fact that the lands were not being used for agricultural purposes. Whether it was mixed farming on idle land or whatever type of use was being made of the land, what we are saying to you is when would you ever go out and get an appraisal of each individual property for a large land assembly? Nowhere.

Mr. R. F. Nixon: Ask Gibson Willoughby. They will do it for you.

Hon. Mr. Irvine: Nowhere.

Mr. Singer: Oh come on!

Hon. Mr. Irvine: There's nowhere, and the member for Downsview knows better than that too. If you are going to assemble a large acreage of land, you don't have appraisers running all over the place. It's absolutely nonsense and you know it.

Mr. Singer: Mr. Chairman, what the minister has said just boggles the mind really. This is apparently a statement of how government proceeds in a careful and business-like manner to look after the taxpayer's dollar to achieve objectives. I am not going to argue even about your objectives. We could

have a long, long debate on the reasons for land assembly. It took you an awful long time to come to the point in your lengthy statement, and you never did really come to the point. You ran circles around it, threw up barriers, set up strawmen and then proceeded to knock them down.

You complained about getting possession. You know, or somebody there should have told you, that once you expropriate you can get possession very quickly. You can argue for years about the amount of compensation, but if possession was in your mind, you could get it within a matter of weeks. All you have to do is get an order to pay money into court. You would get an order for possession, if you had an appraiser on whose appraisal estimate you could have asked for the order properly.

Hon. Mr. Irvine: The member is not suggesting we can use expropriation. He doesn't mean that?

Mr. Singer: Oh, why not? Why not? Where you get recalcitrant sellers who are apparently standing in the way of what you believe is government progress or who are holding up the taxpayers of the Province of Ontario for extra profits, what do you do?

Hon. Mr. Irvine: What is the member's plan? He understands extra profits.

Mr. Singer: You cower down, you give in and you pay these exorbitant prices.

Hon. Mr. Irvine: The member is a lawyer—

Mr. Singer: I was quiet while the minister was talking—

Hon. Mr. Irvine: No, the member wasn't quiet.

Mr. Singer: Well, reasonably quiet. The minister is being much noisier than I was.

The minister started off by talking about an appraisal by a senior official of the department of OHC. Could he name that gentleman? Tell us what his background is, what his qualifications are, whether he is a member of the Appraisal Institute of Canada, whether he is a member of any other appraisal institute, what properties he has appraised before and the extent of his knowledge and his background? In other words, can you qualify him the way we have to qualify any appraisal witness we put into a court to justify our argument as to value? That is a normal thing. It is just a little unusual that the minister wouldn't choose to do that if he was trying to back up his case unless the information I am asking for now really doesn't back up that kind of an argument.

So what the minister has said is that he had one senior official whose bona fides are perhaps just a little dubious—I don't know, I stand to be corrected if the minister can give me the information—

Hon. Mr. Irvine: I will give it to the member if he sits down. Why doesn't he sit down and I will give it to him.

Mr. Singer: —who didn't use—and this is the minister's phrase—"the formal appraisal mechanism but who did a study." Why couldn't the minister do a formal appraisal —the kind of appraisal I was talking about yesterday—for each one of these properties? There are only 22. They are all vacant, they could have been appraised. There are all sorts of appraisers around.

As to the Pickering thing, the minister could have asked his federal friends and they could have told him about the airport —how they have had appraisers in there. He could have asked any of the lawyers around the province who are familiar with expropriation matters and who are the appraisers. He could have gone to the Appraisal Institute of Ontario, the Appraisal Institute of Canada, and said, "Who are they?"

They are not real estate agents. Appraisal is a very fine art at which one has to work very hard if he is to understand it. But what the minister is telling us is, there was no formal appraisal mechanism. He added that he didn't do the sort of thing I talked about in my remarks. Obviously he didn't do this sort of thing and it is obvious he is not going to be able to stand up and say, "Here is the appraisal for property 1, 2, 3 through to 22" because he hasn't got such appraisals. He replaced appraisal by a study.

Mr. Chairman, having gone that far and indicated what to my mind approaches criminal negligence in handling the affairs of the Province of Ontario, I think that the least the minister can do is to table that study. Having tabled the study, it apparently is going to come out and say that the average price per acre "should be"—and it really didn't matter what anybody paid for them—the average price "should be."

I gather Gibson Willoughby had instructions: "Offer one $3,500; if they're tough, $4,000; if they're tougher, $4,500," and you moved up to the maximum price. It really didn't matter what they paid for it, how long they'd owned it, but you staged it and those

were your instructions to Gibson Willoughby. Throwing Gibson Willoughby in as some kind of a bolster for the minister's very weak case is ridiculous. They are real estate agents. They are not purchasers, they are real estate agents employed by the government who were paid a commission for their work. They weren't exercising any judgement, they were carrying out specific instructions. The only person who exercised any discretion was this unnamed senior official—

An hon. member: And the Premier.

Mr. Singer: —who is some kind of a qualified appraiser. And then he didn't appraise, he studied—and he brought in a ball-park figure. What kind of sense does that make.

In the case of the property that Loring sold to Bonnydon on Oct. 11, 1973, for $265,000, how can you use a ball-park figure and pay to Bonnydon five months later $458,000, a profit of nearly 100 per cent?

How can you say Ontario Housing did a good thing? How can you stand up and say we didn't do a property-by-property appraisal? How can you have the nerve to get up and say maybe those dates in the registry office don't mean anything? If you know of any dates that are on the register in the registry office that give false impression, tell us.

How can you have the cheek to suggest that since we only searched seven of the 22 properties you talk about that perhaps we haven't got all of the answers? If the other 15 that we didn't mention show any different kind of a picture, would you tell us? That would be the kind of a defence you have to make. But you made no defence. You've dug yourself into a great big hole. You've proved conclusively that instead of using the known and accepted techniques that are used to acquire pieces of land, particularly by public bodies, as exemplified by the Ontario Expropriations Act and the federal Act, you have done it by something called a study by one man who may or may not be qualified. I think, as I say, that approaches criminal negligence. It really does; it is a waste of public money.

Mr. Chairman, what I am suggesting is that there has to be a judgement valuation made about this. I don't trust the minister's judgement and I don't trust his advisers' judgement any more. I think the time has now come where we could take this whole Milton acquisition and turn it over—let me throw this challenge at the minister—to Mr. Yoerger, the head of the Land Compensation Board and let him fix value for each of these properties and let him tell us whether or not the prices paid were reasonable.

Or, if you think Mr. Yoerger's a little too close to the scene, pick any one of the federal court judges who deal with expropriation matters across Canada for the government of Canada, as they are a little more remote, and run those 22 cases before them and let the province go in and try to justify those cases. I ask you to accept that kind of a challenge.

I charge you with the gross and inordinate waste of public money with absolutely no idea of business practice. You were sold a bill of goods. Your officials don't know what they are doing. You accepted that advice and you're responsible for it.

The thing is ludicrous. The government stands condemned for getting into this kind of thing and then trying to fob off the issues with this statement here this afternoon, where you talked about formal appraisal mechanism being replaced by studies. What you did was open up the sewer and throw the public dollars down. There is just no excuse for it. You are going to have to do much, much better.

Hon. Mr. Irvine: Mr. Chairman, let me answer, if I can, as briefly as possible. Let me share in the mutual distrust. I may have some distrust of your remarks also. Let me say this to you. Some of the things you have said have not been factual. You say we didn't have appraisals. We had appraisals from the firm which I mentioned.

Mr. Singer: Which firm?

Hon. Mr. Irvine: Gibson Willoughby.

Mr. Singer: Could I interrupt you there? Have you got the appraisal of the property by Gibson Willoughby?

Hon. Mr. Irvine: Gibson Willoughby Ltd.—

Mr. Singer: Have they appraised these 22 properties?

Hon. Mr. Irvine: —has the capability of having appraisals made for every property.

Mr. Singer: Have they appraised these properties?

Mr. Chairman: The minister has the floor. Would the member for Downsievw take his seat please?

Mr. Singer: Have they appraised the properties?

Hon. Mr. Irvine: They participated in many other properties.

Mr. Singer: I didn't ask that. I asked if they appraised the properties?

Hon. Mr. Irvine: Let me just complete my statement. I let you complete yours.

Mr. Singer: Yes, but it is a little difficult.

Hon. Mr. Irvine: It was difficult to sit here and listen to you. I'm trying to say to you that there are many other properties that we tried to buy and we couldn't buy them. They are at much higher prices. I can read out to you as to what—

Mr. Singer: Did Gibson Willoughby appraise these properties?

Hon. Mr. Irvine: —the prices were. Some of them were as high as $10,000 per acre. I want to impress upon you that we had agreed that the prices that were paid were fair prices at that time. There used to be time in Ontario and other parts of Canada when prices didn't escalate as quickly as they have in recent months. But that's not the fault of this government. That's the fault of the federal government. And it's time you recognized that.

Mr. Cassidy: There it goes again. In land, you blame the federal government.

Hon. Mr. Irvine: The prices went up out of range and we knew that we had to take some action, so we did. The prices are still higher today.

Mr. Singer: Did Gibson Willoughby appraise?

Hon. Mr. Irvine: The man we referred to for OHC, is, to clear the record, Mr. Stan Proctor.

Mr. Singer: Before you get to OHC, did Gibson Willoughby do an appraisal?

Hon. Mr. Irvine: Gibson Willoughby participated, I am told, in the price survey with OHC. Now, Gibson Willoughby—

Mr. Singer: Did they do an appraisal?

Mr. Cassidy: Yes or no?

Hon. Mr. Irvine: Gibson Willoughby knows how to appraise properties.

Mr. Singer: I didn't say that. Did they do an appraisal?

Mr. Chairman: The hon. member for Downsview—

Hon. Mr. Irvine: I am telling you—

Mr. Singer: You don't know.

Hon. Mr. Irvine: I don't—

Mr. Chairman: The minister has a right to reply.

Hon. Mr. Irvine: —have words put in my mouth. I am telling you what they did. Gibson Willoughby participated in the price survey with Ontario Housing Corp.

Mr. Singer: Did they do an appraisal?

Hon. Mr. Irvine: I am also saying to you that the man for OHC was Mr. Stan Proctor. You asked for his qualifications. He has been with OHC for the last three years as director of land acquisition and management. He had federal government experience before joining OHC—

Mr. R. F. Nixon: That is why you are blaming the federal government.

Hon. Mr. Irvine: —for six years in property acquisition and management. He is a fellow of the Real Estate Institute.

Mr. Singer: That doesn't make him an appraiser yet.

Hon. Mr. Irvine: He is an Ontario land economist. He is a certified property manager. He has 20 years experience in the private sector. He has carried out, successfully, land assemblies in Ottawa and Brantford.

Mr. Singer: That still doesn't make him an appraiser.

Hon. Mr. Irvine: I think, Mr. Chairman, this gentleman is well qualified to act on behalf of OHC in the type of assembly we did in this case. I say again, there is no need for individual appraisals to be made on large assemblies if you want to keep the matter confidential. There is absolutely no way you can.

Mr. Singer: And you certainly kept it confidential. Nobody would have guessed they were doing it.

Hon. Mr. Irvine: Well, can you tell me what technique would you use?

Mr. Chairman: The member for Sarnia.

Mr. Bullbrook: I can be very brief, because brevity results from complete disappointment. Yesterday I felt a twinge of disappointment that you, your deputy minister, and the officials of your ministry, were permitting the housing corporation to, in effect, hornswoggle you. What we have had now of course, is that Mr. Riggs and his people go back and write you an apologia, nine-

tenths of which had nothing to do with the response to the questions put to you yesterday. The first 20 minutes you spent with the philosophy of land acquisition. We wanted to talk about this. I thought the least we would be into this afternoon was a respectable dialogue in connection with the quality of appraisals. I never thought, in my wildest imagination, that you would have the weakness or the audacity to come back and say that you didn't do an appraisal, because as my colleague says, studies are nothing.

Hon. Mr. Irvine: I don't agree with you and your colleague, let's get that straight.

Mr. Bullbrook: I will show you why studies do nothing. A study done by a man in your ministry, by Gibson Willoughby, told you the general value of acreage in the South Milton area was approximately $6,000, and while that very document, and that very opinion, on which you have expended millions of dollars of public funds, was being handed to you, Mr. and Mrs. Freedman in that very month were going out and buying 83 acres of land in the core of that area for $3,080. Now, how does your study hold up?

Hon. Mr. Irvine: When did they have the option? Do you know that?

Mr. Bullbrook: Subsequently, in December they go out and buy additional land, three months after your so-called study, and what do they pay? They pay $2,912 per acre.

Hon. Mr. Irvine: When was that? When did they option the land?

Mr. Bullbrook: December, 1973. When did they acquire the land? I don't know, but you should have known—and that's it.

Hon. Mr. Irvine: When did they option it?

Mr. Bullbrook: I put this to you, Mr. Minister—

Hon. Mr. Irvine: I put it to you.

Mr. Bullbrook: —that you can ill afford to sit over there and try to heckle when in effect you are dealing with a manifestation of ineptitude that I have never seen in seven years.

If Imperial Oil sent somebody out tomorrow and they brought back a so-called study on land acquisition to their directors, and somebody said Sun bought it yesterday for half that price, heads would roll. And the heads should start to roll with the Ontario Housing Corp. There is no justification in any fashion for the amount of money that you have paid. I don't believe in the expropriatory powers being effected in connection with land assembly. As a matter of philosophy, I find it reprehensible. There should be a free market activity; I agree with that.

Hon. Mr. Irvine: Your colleague doesn't.

Mr. Bullbrook: I am saying to you it is a matter of my personal opinion. If you start to put back to us the argument that you had to get it quickly, of course he is quite right. When you want it that quickly to save a million dollars of public funds, then you should get out there, expropriate it, and take it over right away. But what you have done is you have just absolutely buried yourself in this respect.

Hon. Mr. Irvine: You can't expropriate.

Mr. Singer: Why not?

Mr. Bullbrook: I just said to you I don't believe in the concept of expropriation. Forget about that. I believe in the free market attitude. I believe in a willing seller and a willing buyer. I believe in independent appraisals. I believe in your being able to justify to a court that you have spent the money properly. And you can't do that; you can't do it for one moment.

Mr. Cassidy: You don't believe in land-banking either.

Mr. Bullbrook: What you have done here is you have gone to people who paid approximately $3,000 an acre, and on the basis of some pie-in-the-sky evaluation—and that's all it was. I ask you to table that study for us now. Let us see the foundation of the study. Is the study based on an evaluation of prices in the area? If it is, it is in the nature of an appraisal? Has he looked at comparable sales in the area? Did he know about the Freedman transaction? Let's know about these things, the very things that you would have to do in justifying an acquisition before a court or before the Land Compensation Board. Why wasn't that done here?

Hon. Mr. Irvine: Mr. Chairman, I have nothing further to add to what I have already said. I can go around and repeat the same things I said before. I don't think it makes any difference now. I can't convince the hon. member for Sarnia or the hon. member for Downsview, because they have their minds made up as to what should have happened.

I am saying that the lands we own are very valuable lands, and the government is going to be very proud to be able to show the people of Ontario in future years that they own these lands and that they can be developed for agricultural or other uses. I personally feel that the method that was used was a proper method.

Mr. Bullbrook: The value in future years has nothing to do with it. Again you deflect into that argument of potential value. Potential value has nothing to do with government acquiring land; it never will have, and it doesn't in this respect.

Do you know what the Freedmans were entitled to? I will tell you exactly what a court would have given the Freedmans. The court would have given them their costs of acquisition, the costs they incurred in connection with acquiring the property, and a reasonable return on their money, having regard to the inflationary tendencies with respect to the land.

Mr. Cassidy: But you don't believe in expropriation.

Mr. Bullbrook: No court in the world could have said to them, "You are entitled to 100 per cent profit in six months." It hasn't happened in Ontario—you know it hasn't happened in Ontario in connection with land of this nature. Prove to me one instance where land has appreciated 100 per cent in these circumstances without improvements of any kind. It hasn't in connection with a total land mass.

Hon. Mr. Irvine: Mr. Chairman, the member may be an excellent lawyer; after that statement, I don't think so.

Mr. Singer: Mr. Chairman, may I ask the minister—

Mr. Chairman: The member for Ottawa Centre.

Mr. Cassidy: Thank you, Mr. Chairman. My comment would simply be that the Liberal Party doesn't believe in landbanking. While the point they make may be valid, they are surreptitiously saying that they don't want any government in this province to engage in landbanking—

Mrs. Campbell: Oh, come on.

Mr. Singer: Go and sit beside the minister and hold his hand.

Mr. Cassidy: —in order to protect the housing consumers and the people who will ultimately be forced to pay the prices in the private land market. As for the government, its commitment is questionable.

I would like to ask on this particular point why the minister will not table the study. If it was a good and valid study, as he seems to be saying, and one which would stand up and would obviate the need for having detailed appraisals of every property, then the best way to prove that is to table it here in the House to make it available to members of the opposition, and then we can judge rather than simply having the member's word for it. So will the member agree to that rather than have this argument go on back and forth?

Hon. Mr. Irvine: Mr. Chairman, I said that we had a participation between OHC and the firm which was employed in regard to the study of the cost of the lands. Now, I don't know what will satisfy the Leader of the Opposition and his colleagues.

Mr. S. Lewis (Scarborough West): Well, table the report.

Hon. Mr. Irvine: I'm not really that concerned, because I am telling you that this, as far as I am concerned, is a deal which is a substantial deal, and certainly as far as the people of Ontario are affected it's one that will be very much appreciated in the latter years of the 1970s and 1980s.

Mr. Lewis: Why don't you table the study?

Hon. Mr. Irvine: You have to understand that I have information here showing properties that we wanted to buy which we couldn't buy because they were too high. I can table that. I have shown you figures we have on what we have bought; I've said they are average prices.

Mrs. Campbell: Why won't you table the study?

Mr. Lewis: Why can't you table the study?

Hon. Mr. Irvine: I can table that. I'll table my statement, I'll table the documents that I have here, and that is it.

Mr. R. F. Nixon: Let's have the study.

Mr. Cassidy: Mr. Chairman—

Mr. Singer: Mr. Chairman—

Mr. Chairman: No, no.

Mr. Singer: Don't you cut me off, sir.

Mr. Cassidy: The Liberal Party has been on the floor for 45 minutes, on this issue.

Mr. Singer: You took an hour and a half before.

Mr. Cassidy: You said I would be back.

Mr. Singer: Yes.

Mr. Cassidy: The minister started by talking about the study; surely the study can be tabled in addition to these other documents. If not, can the minister say why not? Is there a written study which was prepared by the men from OHC and the people from Gibson Willoughby, and which was put before the board of OHC before a decision was made to buy these particular tracts of land? Is there some kind of written study? Or was it simply a verbal kind of an agreement between these two parties that about $6,000 seemed right for an average price?

Hon. Mr. Irvine: Mr. Chairman, I think a very great number of discussions have taken place on this particular acquisition. It is one which has written comments by many people and I think that we have to find out what we can assemble to bring to the House. I am quite prepared to table what I have before me—

Mr. Lewis: Boy, are you in trouble.

Hon. Mr. Irvine: —which shows you the number of properties that we had bought, which shows you the number of properties we couldn't buy, and which shows you the real reason why we bought them. I am willing to do that today.

I was asked to come in to the House and report how the acquisition was brought about by OHC. I have defended that acquisition.

Mr. R. F. Nixon: But you have not presented the evaluation study. We expected one for each property.

Hon. Mr. Irvine: I have done everything that the Leader of the Opposition asked.

An hon. member: We asked you to table the report for each property and you won't even give us a general one.

Mr. Lewis: You are hiding something. You are undermining your officials; in fact, you are ruining the reputation of OHC by refusing to table the study. You are undermining any integrity these officials have, by refusing to table it. What's wrong with you?

Hon. Mr. Irvine: Mr. Chairman, the leader of the NDP just came in recently.

Mr. Lewis: I have been listening to it.

Hon. Mr. Irvine: We are not refusing to disclose anything in this particular case.

Mr. Lewis: Then, table what you have.

Hon. Mr. Irvine: I already said I would.

Mr. R. F. Nixon: Let's have it.

Mr. Singer: Let's have it, Mr. Chairman.

Mr. Chairman: The hon. member for Ottawa Centre.

Mr. Cassidy: Thank you. The point that the minister appears to be making is that there is no specific study but that there was a series of documents which was connected with the South Milton land assembly before the first purchases were made. Naturally we will look with interest on the material he has before him, but I think that it is now incumbent on him to table all of the correspondence and the other reports and material which were available and which were prepared in connection with this land acquisition, before the land acquisition began as well as afterwards, because this is what he is saying—that there is no particular study made. He is now sort of backing off and saying a number of things were involved.

Some very serious statements have been made in the House about the Freedman land and other land. As far as we are concerned, there is a fair way of dealing with a situation like this where the price being asked by somebody is obviously out of reach compared with his acquisition price, and that is to put it to expropriation, so that the interests of both the vendor and the public, as purchaser, are defended in setting the value at which the land will be expropriated.

Perhaps you need a new name for it in order to get away from the connections with expropriation. That technique is available and should have been used in this case, rather than let a particular set of individuals make a profit of 100 per cent in the course of a very small period of months. We would like all the documents connected with this case. I would ask the minister to agree, given his commitment to disclosure, that all those documents will come before the House in the near future.

Hon. Mr. Irvine: Everything about the acquisition will be tabled that we have. I am tabling now what I thought was necessary to bring forward to the House today.

Mr. Lewis: Ah, you can't believe that. Don't snow us.

Hon. Mr. Irvine: Yes, I was asked—

Mr. Lewis: Come on.

Hon. Mr. Irvine: You weren't here to listen to all of it.

Mr. Lewis: I have read the transcript.

Hon. Mr. Irvine: I don't know where you have been but—

Mr. Lewis: Well, they did ask you for a valuation—

Hon. Mr. Irvine: No, no. They asked for the government's position—why the government acquires certain lands.

Interjections by hon. members.

Mr. Cassidy: Does the commitment, Mr. Chairman, include a commitment to produce material which related to the general valuation for the area of around $6,000 per acre? Is that included in the minister's commitment?

Mr. Singer: Have I got the floor now? Thank you very much one and all.

Mr. Cassidy: Let's hear from the minister first.

Mr. Singer: Mr. Chairman, several of us made it abundantly clear last night that we wanted the appraisals. I listened very carefully to what the minister said in his statement. He said: "The formal appraisal mechanism was replaced by a study." That obviously means there was no formal appraisal.

Mr. Lewis: Right.

Mr. Singer: We are now asking for the tabling of the study. As the minister went on to try to explain what was done, it becomes pretty obvious there is no formal study as such.

Mr. Cassidy: That's right.

Mr. Singer: What I suspect now is that a group of fellows sat around the table and said: "There is good old South Milton. What do you think that's worth?"

Mr. Bullbrook: Six grand sounds pretty good.

Mr. Singer: "Yeah, six grand, not a bad price. Okay, Gibson Willoughby, here's your schedule of what you can offer." It is even worse than we imagine in our wildest dreams. Could we have the minutes of the meetings when it was determined what instructions would be given to Gibson Willoughby? Surely you wrote them letters, or was that also done over the phone?

Mr. Lewis: Probably.

Mr. Singer: Was it: "Hello, Bill." "Hello, Gib. This is what you do." Is that how it was done?

You have no records as to how you proceeded in this? We are entitled to those records. In their absence we have got to conclude either that you are totally inept or that you are hiding something. Why can't you give us the information? You say you will table what you have What kind of nonsense is that? Anything you have said that you have there is of no use. It is not what we are looking for. We are looking for the basis on which you determined these values. You haven't got an appraisal. Apparently you haven't got a study. What do you have to determine the values?

Mr. R. F. Nixon: If there is nothing more on that and the minister is adamant, let's just say that we on this side feel he is throwing up a smokescreen to protect his officials in the matter of the appraisal study. We will pursue it further when we examine the things he has put on the table.

I felt a cold hand on my throat when I heard him talk about the way his agents deal with the land holders. See if they will take this and then raise it by stages to a limit. I suppose if the hon. minister were back in Prescott buying the property next his store, on a business basis it could be done that way. But I have a feeling that when it comes to something like an important emanation of government, Ontario Hydro or Ontario Housing, there should be a precise evaluation which will bear up not only in this Legislature but in a court.

You make a formal offer and say: "We, for these reasons, have decided as a matter of high policy that we require these lands." You had better have good enough reasons to stand up before a judicial hearing under our present expropriation laws. Not just, "Well, here is a field of goldenrod that ought to be saved," or something like that. You have got to have good reason to buy it. You go to the owners without anything said about expropriation and say, "You know how we do business in this government. By the policy of the Premier, enunciated and well-understood, we buy land on the basis of a professional evaluation of the value of the land now. We have decided, as a matter of policy, we need the land [not, maybe we need it] and here is our offer."

If they will not accept it at that level you should not be in a position, as an agency of

government, to let them stew for a couple of weeks and go back and say: "Well, maybe we could do this or maybe we could do that." But you will say, "As a matter of governmental decision we require these lands for good and sufficient reason. We have given you a fair, substantiated appraised price. Since you are not prepared to accept that, it must be decided by the courts. But we have decided that we will own the land and we have filed notice of expropriation."

Hon. Mr. Irvine: I am speaking for myself.

Mr. R. F. Nixon: I am speaking for myself. All right. That's the way it should be done. I find it offensive that any arm of government is going to do what you say they do and say: "If they don't settle for $3,000, offer them $3,500 or $4,000 but the limit is $6,000." But don't tell them what that limit is. Don't let them know."

Mr. Lewis: That's the way Hydro works.

Mr. R. F. Nixon: "It would be too bad if the poor person who owns the land knows that we know it's worth $6,000, or are prepared to say that, because we want to get it for less." I'm not talking against the landowners, far from it. I think of all the procedures where you are successful in acquiring land for far less than it is actually worth. Let us decide, as an agency of government, what it is worth with a procedure that will stand up in court and say, "There it is." Eventually you—even you—could establish a reputation so that when the government comes to buy the land its offer is a final offer, not predicated on some kind of backroom bargaining, but a fair offer. Then, when you have offered that, and that person is not prepared to accept it, you can use the power of government if you need the land for a justifiable purpose.

You say, "What would you do?" That's what we would do.

Mr. Lewis: Mr. Chairman, I have been reading parts of Hansard and listening to the debate in the Legislature. I've been in the House for 11 years. There have been many debates over the quality of appraisals in the acquisition of property by various government ministries. I can recall those debates, and measuring the appraisal methods against those of the Appraisal Institute and whether or not certain people had appropriate qualifications. I can recall major discrepancies in figures based on judgement. I can recall tempests around Hydro, and its behaviour in particular, using its own appraisal methods.

In the entire 11 years in the House I cannot remember a single instance, before this, where the acquisition of property, with a substantial amount of public money involved, was done over cocktails, or lunch, or in a private gentleman's agreement with two parties consorting together, with expenditure of public money as a consequence. The Ministry of Housing has been defamed in the process by which it moves into the acquisition of land, more than any other ministry I can recall.

Hon. Mr. Irvine: Do you have something to substantiate what you are saying?

Mr. Lewis: I do not know a single instance where we have not been able to have some appraisal, some evaluation, some study.

Hon. Mr. Irvine: Do you know what you're talking about when you're talking about "over cocktails"?

Mr. Lewis: I am accepting the challenge—

Hon. Mr. Irvine: Have you got something to substantiate that? I asked two days ago and the member for St. George—

Mr. Lewis: The member for St. George, I may say, can look after herself a hell of a lot better than you're managing your portfolio.

Hon. Mr. Irvine: And I want you to look after yourself too.

Mr. Lewis: This is really a bankrupt performance.

Hon. Mr. Irvine: Not in the least.

Mr. Lewis: Maybe you're embarrassed by it. Maybe you know things others of us don't know. But let me tell you you can't produce a study, you can't produce an evaluation, you can't produce an appraisal. This was done behind closed doors.

This was a private little conference between OHC and Gibson Willoughby and their lackeys in carrying out an acquisition of public lands without an appraisal. Have you ever, in your entire political life, heard of public funds used in that fashion? Let me tell you, if there was a serious evaluation, report, assessment, anything, you'd have it here today.

Mr. Bullbrook. And we haven't got it.

Mr. Lewis: You had overnight to get it. You were asked for it very specifically. Don't tell me you weren't asked for it. The Liberal Party that spoke to it asked for it in considerable specifics, as the leader says, "lot by lot," if they could get their hands on it. I'm just telling you my experience—

Hon. Mr. Irvine: By appraisal.

Mr. Lewis: By appraisal. Well, if it wasn't by appraisal, give us the report that substituted for formal appraisal. There is no report—I say that to you, I hold it up to you, and then you can whop me down.

Mr. Singer: If you have got it, show it to us.

Mr. Lewis: That's right. Humiliate us all—show it to us. I tell you there is no report. I tell you you are deliberately misleading the House.

Mr. Chairman: Order!

Mr. Lewis: All right. I tell you you are inadvertently deliberately misleading the House.

Hon. Mr. Irvine: By inadvertence.

Mr. Lewis: Okay, I concede it's by inadvertence on your part. You are a noble man protecting his senior civil servants from the ignominy that would fall upon them if the way in which OHC conducts its affairs were revealed.

I want to tie this togther with one other thing.

Mr. R. F. Nixon: It's an operation that is a terrible mess.

Mr. Lewis: Exactly. The Ontario Housing Corp. is already in public trouble. There is a great deal of public anxiety and suspicion about the way in which the Ontario Housing Corp. conducts the business of Ontario. All of the charges have reinforced that suspicion. All of the behaviour, which now is revealed, over the last few years undermines public confidence in the Ontario Housing Corp. And now you have what amounts to a minor scandal.

I don't know how you justify it, but I just wanted to tell you, as I sit here and listen, that in my entire period in this Legislature never can I recall the expenditure of such a large amount of public funds on a rule-of thumb decision, on the instinct, right or wrong, of some civil servant in conjunction with some real estate company. Boy, you make the public business of Ontario a farce. There is no integrity in this transaction; there is nothing but profligate self-indulgence.

An hon. member: Whew!

Mr. Lewis: You make of all of it a sham, a silliness, which has no right in the course of government practice. You can't produce a study; you can't produce an appraisal; you can't produce a piece of correspondence; you can't produce a record of a phone call. This was a quiet little matter negotiated in private, conducted in private, and you are found out. And you don't know how to defend it.

You got another black eye for the Ontario Housing Corp. It particularly bothers some of us in this party when public corporations get clobbered by the mismanagement of your government, and you have no answers at all.

I don't know what senior civil servants are involved in this fiasco, but you should do something about it.

In Hydro they changed the whole manner of public participation in the determination of the amount of money that would be paid for expropriation or for rights of way, because of how Hydro behaved. If Hydro was infamous, let me tell you, they don't hold a candle to the way the Ontario Housing Corp. does business. You don't do business; you make deals, to use your words. You make deals, and they are not in the public interest.

Mr. Chairman: Is vote 804 carried?

Mrs. Campbell: No.

Mr. Singer: Not a word of denial.

Mr. Cassidy: Is the minister not replying?

Mr. Chairman: The hon. member for Ottawa Centre.

Mr. Cassidy: I just want to pursue this a bit further. I have been looking with interest at the material tabled by the minister, because surely a lesson can be drawn from this. Will the minister table the material? I will ask this and then the member for Donwsview—

Mr. Lewis: He has tabled everything he is going to table.

Mr. Singer: We established that 21 times this afternoon.

Mr. Cassidy: Will the minister table any further material?

Hon. Mr. Irvine: Yes.

Mr. Cassidy: He will. Okay, Mr. Chairman, the only other point I would make in relation to this, before going on to a couple of other matters, is simply that you don't protect the public when you go out into the free market, so-called, in this kind of situation that prevailed in South Milton at that time, and buy lands—none of which had previously

changed hands for more than about $3,000 an acre—at prices of between $5,500 and $6,000 an acre. This kind of valuation is better carried out under the techniques that exist through the Expropriations Act and land valuation tribunal, it seems to me, than leaving the public to ransom and to further augment the price that existed in this particular case.

I would just like to ask a couple of other questions which relate to vote 804, since we have about 10 or 15 minutes left in the housing debate. I will ask the questions very quickly, and the minister may be able to reply to them very quickly. First, what federal contributions, if any, have been made to the acquisition costs of North Pickering? Second, how much in federal contributions, if any, has gone to the OHC land acquisition mentioned in this particular estimate? Third, why is Ontario making no funds available for municipal land assembly? Fourth, how much public owned land, if any, does Ontario—

Hon. Mr. Irvine: Slow down just a minute. Slow down.

Mr. Cassidy: Okay.

Hon. Mr. Irvine: I don't write in shorthand.

Mr. Cassidy: All right. I'll ask what federal contribution has there been to the acquisition costs for North Pickering?

Hon. Mr. Irvine: None at the present time. We have been negotiating with the federal government for months trying to get some commitment from it. The federal government has held back, for reasons known only to itself, in regard to what we felt was a very firm commitment for funding the North Pickering project. I am hoping that with the new minister we might get a reasonable amount of money for the project. We may not get what we thought we were going to—but we have had absolutely zero funds from the federal government after they had committed though previous ministers to this government that there would be funding available.

Mr. Cassidy: How much in federal contribution has the government had for OHC land acquisition, such as, for example, South Milton?

Hon. Mr. Irvine: I am informed it was $63 million last year.

Mr. Cassidy: So they put in the 90 per cent in that particular case, is that correct?

Hon. Mr. Irvine: No, that is the total. In this case I am led to understand that $8.5 million has been appropriated by the federal government toward the land acquisition.

Mr. Cassidy: Is that the full 90 per cent?

Hon. Mr. Irvine: Yes.

Mr. Cassidy: Yes. Okay.

We can't go into the York Servicing scheme when there are only eight minutes left in this estimate, but if you are going to go ahead with it, if the land that is opening up for development in that area comes under public control rather than being allowed to escalate in value in private hands, what are you going to do to control land prices when they start to go up under the influence of that servicing scheme?

Hon. Mr. Irvine: I think that is a pretty obvious answer as far as a great proportion of the land is concerned. We now have 17,000 acres in North Pickering. Some of that will certainly be serviced by the Central York servicing scheme. As a matter of fact, OHAP has contributed an amount of $31.5 million to the programme over seven years to make sure that we have servicing available for not only North Pickering, but also for the region of York.

I am trying to think of what else would be available. I guess North Whitby would be land that could be used by the same principles. We have 2,300 acres there. So we think we have achieved quite a bit by this land banking service, as I mentioned before. We have considerable acreage across the province.

Again I go back to South Milton, and we think the same thing there—that lands are quite appropriate in the matter of land banking and the land value will not go down. The land value will be considerably more in the years to come. The land value north of Oshawa, north of Whitby, in the Durham region, no doubt will increase considerably so that we have done, through OHC, a considerable amount of land banking and I think in the best interests of everyone.

Mr. Cassidy: Again I cannot engage in that one with only five minutes left, Mr. Chairman. But I would like to see a commitment to ensure that with lands coming into development under the York servicing scheme, all or almost all will be under public control rather than in private hands. I know this government is not willing to innovate on that particular way—

Hon. Mr. Irvine: That is an interesting proposal. But I noticed that your leader stated a few weeks ago that the province of Ontario should acquire blocks of land around 20 urban centres. I don't think he stated how many acres that would involve but for 20 urban centres, you would have probably how many thousands of acres?

Mr. Cassidy: Say 150,000.

Hon. Mr. Irvine: How many?

Mr. Cassidy: One hundred and fifty thousand to 200,000.

Hon. Mr. Irvine: One hundred and fifty thousand to 200,000 acres. Where do you or the government get the money for these lands?

Mr. Cassidy: If we acquired these lands we acquire them on the credit of the province. The question that has to be asked is, who is paying right now for the extraordinary increase in land costs? The citizens of Ontario, the taxpayers of this province, are now paying for it, because of government neglect in the Province of Ontario. Anybody, who buys a house, for which he has to pay an additional $150 a month, is paying that amount because of the neglect of the Province of Ontario. That is money they would not have to pay if there had been public land acquisition at the crucial time before the enormous increase in values we've had up until now.

Hon. Mr. Irvine: We are saying the same thing. You are agreeing with the principles that have been part of our OHC policy—to acquire land ahead of time for future years, not wait until they are immediately needed. That's exactly what we are doing. There is a limit to how much money we have.

Mr. Cassidy: We don't disagree at all. The point is, the government is now gradually getting into land banking in a big way. But, it has never taken as a commitment, and as a principle, that the public, and not the private sector, should control the urban development land market, so that development land coming into production should be publicly owned. That's a principle we put forward on behalf of the New Democratic Party.

We don't think private profit has a place in the developmental land in and around our urban areas. That land should be in public hands. It should basically go out on leasehold rather than on freehold. There should be techniques to ensure, for most residential developments, as well as for commercial and industrial development, the land continues to be on a non-profit basis, and, that the value of the property goes up only in relation to the increase in current construction costs, not in relation to some kind of speculative increase in land values.

This is a very innovative kind of technique. But, this would ensure housing for people in income groups under $14,000 a year who are, right now, almost shut out of government programmes unless they happen to limit themselves to only one child.

Hon. Mr. Irvine: Are you saying, as a government you would maintain the major role in housing development?

Mr. Cassidy: That's right.

Hon. Mr. Irvine: You would take over all the private enterprise that we have now?

Mr. Cassidy: Land coming into development.

Hon. Mr. Irvine: It's something which I wouldn't want to be associated with.

Mr. Cassidy: Of course, you are a Tory.

Hon. Mr. Irvine: Where has it worked anywhere else?

Mr. Cassidy: The technique of public land ownership has worked successfully in places such as Sweden and in the city of Saskatoon in Canada, which has had public land development over the last 20 or 30 years.

Mr. P. D. Lawlor (Lakeshore): Satellite towns?

Hon. Mr. Irvine: How much development do they have?

Mr. Cassidy: Saskatoon is one of the fastest-growing cities in the prairies.

Hon. Mr. Irvine: How much actual development? They haven't anywhere near the development we are talking about with the land acreage we have now.

Mr. Cassidy: That's fine, but if it works in Saskatoon, which is a city the size of some of our smaller cities in Ontario, with a population of about 150,000, and enabled that city to plan well, to develop plans at reasonable prices, to put lots on the market at prices that are now around $7,000 per acre, and to co-operate with developers while controlling the land market, if that has worked in Saskatoon, there is no reason why it couldn't have worked in this province as well. There is no reason why it couldn't start to work given a commitment. But that

commitment doesn't exist as far as the government is concerned. You back down all the time.

Hon. Mr. Irvine: We put lots on the market for less than that in the past.

Mr. Cassidy: Yes?

Hon. Mr. Irvine: We have, because we've had the land through OHC.

Mr. Cassidy: You put 100 or 200 on the market in the west end of Toronto and a few in Miississauga, and 600 in Glencairn over a period of time. It's such a small amount it never really influences the market. You don't control the market, you simply give a gift to the people who happen to be lucky enough to get those particular lots.

The minister knows perfectly well that HOME lots around the Hamilton area, where there were homes selling at $15,000 a few years ago, are now changing hands at $40,000 and $50,000. The benefit has been felt only once after that. There was no continuing benefit to people who acquired that land subsequently. You haven't had any long-term impact on the price of land or lots in any place where there has been public land development in the province.

Hon. Mr. Irvine: I think we have achieved a lot by the fact we are supplementing only the private enterprise.

As long as I am part of this government, the private enterprise system will be the major one to develop everything in Ontario.

Mr. Lawlor: You won't get the housing.

Hon. Mr. Irvine: The government should step in only when there is a crisis—

Mr. Lawlor: There is a crisis.

Hon. Mr. Irvine: —or a lack of housing, as we have now. And we are going to step in, as we have, with very effective programmes. We are certainly not going to enter any related programme such as the member was talking about whereby the government takes over all the housing needs for Ontario.

Mr. Cassidy: In land.

Hon. Mr. Irvine: In land? Or in buildings?

Mr. Cassidy: You can build buildings.

Hon. Mr. Irvine: There is absolutely no way. This socialist philosophy may be great, as the member says, in Saskatoon. I haven't seen it working. I have been there. I don't know how it works so well, but I have watched some of your socialist governments and I haven't been impressed.

Mr. Cassidy: Just a final comment, Mr. Chairman. As long as your government continues to put such reliance on the private sector, so long will you continue to fail to meet the needs of Ontarians to have decent housing at a price they can afford.

Mr. Chairman: Order. The time for estimates in the committee of supply of the whole House has expired. The chairman at this time, pursuant to the provisions of standing order 87(k), now is required to place all outstanding questions before the committee of supply.

ESTIMATES, OFFICE OF THE LIEUTENANT GOVERNOR

Clerk of the House: Office of the Lieutenant Governor, vote 101.

Vote 101 agreed to.

ESTIMATES, OFFICE OF THE PREMIER

Clerk of the House: Office of the Premier, vote 301.

Some hon. members: No.

Mr. Chairman: All those in favour of the motion, please say "aye."

All those opposed, say "nay."

In my opinion, the "ayes" have it.

Vote 301 agreed to.

ESTIMATES, CABINET OFFICE

Clerk of the House: Cabinet Office, vote 401.

Vote 401 agreed to.

ESTIMATES, MINISTRY OF HOUSING
(concluded)

Clerk of the House: Ministry of Housing, vote 804.

Some hon. members: No.

Mr. Chairman: All those in favour, please say "aye."

All those opposed, say "nay."

In my opinion, the "ayes" have it.

Do you want to stack this or do you want to vote now?

Mr. R. F. Nixon: Stack it. Go ahead.

ESTIMATES, MINISTRY OF THE TREASURY, ECONOMICS AND INTERGOVERNMENTAL AFFAIRS
(concluded)

Clerk of the House: Ministry of Treasury, Economics and Intergovernmental Affairs, vote 1001.

Some hon. members: No.

Mr. Chairman: All those in favour of vote 1001, please say "aye."

All those opposed, say "nay."

In my opinion, the "ayes" have it.

Vote 1001 agreed to.

Clerk of the House: Ministry of the Treasury, Economics and Intergovernmental Affairs, vote 1002.

Some hon. members: No.

Mr. Chairman: All those in favour of vote 1002, please say "aye."

All opposed, say "nay."

In my opinion, the "ayes" have it.

Clerk of the House: Ministry of the Treasury, Economics and Intergovernmental Affairs, vote 1003.

Vote 1003 agreed to.

Clerk of the House: Ministry of the Treasury, Economics and Intergovernmental Affairs, vote 1004.

Vote 1004 agreed to.

Clerk of the House: Ministry of the Treasury, Economics and Intergovernmental Affairs, vote 1005.

Some hon. members: No.

Mr. Chairman: All those in favour of vote 1005, please say "aye."

All those opposed, say "nay."

In my opinion, the "ayes" have it.

Vote 1005 agreed to.

Clerk of the House: Ministry of the Treasury, Economics and Intergovernmental Affairs, vote 1006.

Some hon. members: No.

Mr. Chairman: All those in favour of vote 1006, please say "aye."

All those opposed, please say "nay."

In my opinion, the "ayes" have it.

Vote 1006 agreed to.

Mr. Cassidy: We are pretty co-operative tonight, Mr. Chairman.

Clerk of the House: Ministry of the Treasury, Economics and Intergovernmental Affairs, vote 1007.

Mr. Chairman: Just a minute, the member for Ottawa Centre says "no."

All those in favour, please say "aye."

All those opposed, say "nay."

In my opinion, the "ayes" have it.

Vote 1007 agreed to.

Clerk of the House: Ministry of the Treasury, Economics and Intergovernmental Affairs, vote 1008.

An hon. member: No.

Mr. Chairman: All those in favour of Vote 1008, please say "aye."

All those opposed, say "nay."

In my opinion, the "ayes" have it.

Vote 1008 agreed to.

ESTIMATES, MINISTRY OF INDUSTRY AND TOURISM
(concluded)

Clerk of the House: Ministry of Industry and Tourism, vote 2004.

An hon. member: No.

Mr. Chairman: All those in favour of vote 2004, please say "aye."

All those opposed, say "nay."

In my opinion, the "ayes" have it.

Vote 2004 agreed to.

Mr. R. F. Nixon: On a point of order, Mr. Chairman. I would certainly follow your direction; however while this is an interest-

ing pastime, surely it is a travesty of democracy. We had agreed, under the rules, that when the time elapsed all votes would be considered carried.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Correct.

Mr. R. F. Nixon: What are we doing this for?

Mr. Chairman: This is the procedure that has to be followed. I am instructed by the Clerk's office that we have to call every vote.

Hon. Mr. Winkler: Could I move that we dispense?

Hon. Mr. Winkler moves that the committee dispense with calling each vote.

Motion agreed to.

Mr. Chairman: We will call in the members for vote 804.

Mr. R. F. Nixon: On a point of order, Mr. Chairman, we have indicated our disapproval. If you would ask them to stop the bells.

Hon. Mr. Winkler: No.

Mr. R. F. Nixon: All right, we will have a vote. We have voted against this twice, one more time and we will probably—

Mr. Chairman: Call in the members.

The commitee divided on vote 804 of the Ministry of Housing, and whether all votes be deemed to have been carried, which was approved on the following vote:

Clerk of the House: Mr. Chairman, the "ayes" are 43, the "nays" are 26.

Mr. Chairman: I declare all the votes agreed to.

Mr. Cassidy: That is not a very ringing endorsement.

Mr. T. P. Reid (Rainy River): How many more by-elections we will have?

Hon. A. Grossman (Provincial Secretary for Resources Development): Twenty-five more by-elections.

Hon. Mr. Winkler moves the committee rise and report.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report it has reached certain resolutions and asks for leave to sit again.

Report agreed to.

Mr. M. Cassidy (Ottawa Centre): What is up tonight?

BUILDING CODE ACT

Hon. Mr. Clement moves second reading of Bill 62, An Act to provide for an Ontario Building Code.

Mr. R. F. Nixon (Leader of the Opposition): On a point of order. Isn't it your responsibility, Mr. Speaker, to enforce the rules? It is more than 6 of the clock.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Give him a chance.

Mr. Speaker: Any further debate on this bill?

Mr. R. F. Nixon: Yes.

Mr. D. M. Deacon (York Centre): We are going to rip him apart.

It being 6:10 o'clock, p.m., the House took recess.

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Legislature of Ontario Debates

No. 124



Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Ninth Legislature

Thursday, November 14, 1974

Evening Session

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

THE QUEEN'S PRINTER
PARLIAMENT BUILDINGS, TORONTO
1974



Price per session, $10.00. Address, Clerk of the House, Parliament Bldgs., Toronto

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Daily index of proceedings appears at the back of this issue. Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff (Phone: 965-2159).

LEGISLATIVE ASSEMBLY OF ONTARIO

The House resumed at 8:12 o'clock, p.m.

BUILDING CODE ACT
(continued)

Mr Speaker: When we arose at the dinner hour we had just introduced second reading of Bill 62. The member for Perth.

Mr. H. Edighoffer (Perth): Does the minister have any statement?

Hon. J. T. Clement (Minister of Consumer and Commercial Affairs): No, I have no statement.

Mr. Speaker: No amendments?

Hon. Mr. Clement: At the time of the introduction of the bill, the bill was so crystal clear, I don't expect that there will be any criticism whatsoever. We will have some amendments, rather minor in nature as a result of comments we have received from various municipalities, the Association of Municipal Building Inspectors, architectural groups and associations of that kind. I will touch on them as we come to them.

Generally it has been agreed that where we have the phrase "building inspector" throughout the Act we should delete the word "building," because the municipalities have very properly pointed out that they have many types of inspectors. They have electrical inspectors, plumbing inspectors, mechanical inspectors and so on. For this reason it is the intent that all of these people play the very important role that they do in the construction of any building.

We don't want to tie it down to the words "building inspector" which to the mind of the municipal people—and I think to the public and certainly to me—would indicate the existing building inspector who is employed by a municipality. The word 'inspector" would also include people who do fire inspections and this sort of thing. So when we get into committee I will bring forward formal amendments to delete those types of references.

Mr. Speaker, I will also be providing both opposition parties with a list of those amendments prior to going to committee so that they can have an opportunity to approve them.

Mr. J. A. Renwick (Riverdale): Is the minister going to committee tonight?

Hon. Mr. Clement: No.

Mr. Speaker: The hon. member for Perth.

Mr. Edighoffer: Thank you, Mr. Speaker. I'd like to make a few comments on this bill on the Ontario Building Code.

I was pleased to hear the minister's few comments and to learn that he was going to delete that word "building" from building inspector. I think it will make a considerable difference to many municipalities. I recall that on a great number of occasions, members of this party suggested that such a piece of legislation be introduced. In fact, I recall mentioning it myself on one or two occasions —I believe it was to the former Minister of Public Works at that time, suggesting that this should have been done a number of years ago.

But it is most interesting that this bill provides the statutory authority for the establishment and enforcement of an Ontario Building Code to replace the existing municipal building standards and the provincial plumbing code. I think it should facilitate those wishing to proceed with a building project, because in the past we have had up to approximately 900 or more different codes by which buildings had to be constructed. I'm quite sure that the council, as it is given the responsibility for enforcement of the code by a chief building official, and necessary inspectors will be able to discharge these duties to the satisfaction of all involved.

Going through this bill I was somewhat disappointed to see that this bill covered only new buildings or extensive renovations or substantial enlargements. At the present time the federal and provincial governments are assisting people in renovating or in repairs, and I feel that there should be some section setting out standards for rehabilitation of existing buildings. No doubt it would be a difficult task, but I believe it is important enough that it should be done as soon as possible.

This legislation, of course, is similar to most pieces of legislation in that it leaves practically everything to the discretion of the Lieutenant Governor in Council. I see in one particular section where the building code commission is set out. I feel that this is very wide open. It does state that three members of the commission constitute a quorum, but we have no idea of whether the government will appoint 10 or 20 or 30 people to that commission. I'd like to see in this legislation a definite number of persons to make up that commission and have that embodied in the main part of the legislation.

As I stated, much is left to the Lieutenant Governor in Council. I notice section 18(n) says: "exempting any building or class thereof from compliance with this Act and the regulations or any provision thereof." I am just wondering if this is an opening for what I understand has happened very recently to Ontario Housing Corp., which has had a home project under way in the Chatham area. They are allowed to not go by the National Building Code. They are allowed to make structures with 24-in. centres instead of 16-in. centres, and I hope that this will not be an opportunity for any of this type of construction to go on.

Since this bill was introduced last spring, I have received a considerable number of letters from fire departments. I believe this change will probably assist in this matter, but because of the number of letters I have received from fire departments throughout the province, I'd just like to place on the record, if I may, the directive sent out by the Ontario Association of Fire Chiefs to all Ontario fire chiefs. I would like to quote, as this refers to Bill 62, which we are now discussing.

> The directors of the Ontario Association of Fire Chiefs voted unanimously on Saturday, Sept. 28, 1974, in Niagara Falls that the above subject be brought to your attention. Bill 62 is a bill presently before the Ontario Legislature to establish a uniform building code in the Province of Ontario. Therefore it should be of serious concern to every fire chief and firefighter.
>
> The proposed regulations do not provide for a fire department representative to have any authority in the areas directly involved in firefighting, with such examples as water supplies, alarm and communication systems, sprinkler and stand-pipe systems, smoke venting, highrise building requirements, and fire department vehicle access for life rescue and firefighting purposes.
>
> This will develop into a very serious situation and have a tremendous detrimental effect on the fire chiefs and firefighters. The fire safety protection required to protect the fire department personnel in fire and smoke conditions could be bypassed, as the fire department's input into building plans will no longer occur.
>
> The fire chief of each Ontario municipality has the obligation and moral responsibility to his community and his firefighters to ensure that the proper fire protection and regulations for the saving of life and property are established in every building under his jurisdiction. Therefore, the directors of the Ontario Association of Fire Chiefs sincerely request that you bring this matter to the attention of your local council, local member, the Minister of Consumer and Commercial Relations, requesting that the fire chief be the appropriate authority having jurisdiction, as stated in the National Building Code of Canada, 1970 edition, or chief official in all matters pertaining to fire safety in respect to any building in the province of Ontario.

That completes the directive sent out by the secretary, Mr. E. M. Crouch, of the Ontario Association of Fire Chiefs. I hope the minister will include this request in the legislation because I feel certain the local fire departments and fire chiefs are well qualified to assist in this matter.

On looking further into this legislation, I notice section 26 deals with repealing a number of sections in the Planning Act. I notice that under this new Act the provisions of the Planning Act whereby bylaws may be passed by municipalities regarding buildings —paragraphs 1, 2 and 3—are repealed, but not paragraph 4, which refers to the ascertaining of levels of cellars; nor paragraph 5, establishing grades of streets and levels of basements respecting street levels.

Also repealed will be sections 7 and 8. Section 7 includes bylaws to regulate removal and erecting of buildings and structures, and section 8 to regulate doors of public buildings. But paragraph 9, providing for bylaws prohibiting the obstruction of public halls, and paragraph 10, requiring owners to repair land in front of commercial buildings, and paragraph 11, compelling provision of fire escapes, are all left in the Planning Act to allow municipalities to pass bylaws on their own.

The authority to pass bylaws regarding the kinds of walls is left in the Planning Act, in paragraph 13. This seems to be in conflict

with the building code in part, although I suppose it makes little difference under which Act the municipality gets its authority to pass such bylaws, except in the matter of sanctions. Breaches of bylaws under the Planning Act are subject to fines recoverable in the provincial courts.

The authority to regulate cellars, cesspools, sinks, water closets, and the like is also left in the Planning Act. It even leaves the controlling of termites in the Planning Act.

Mr. R. Haggerty (Welland South): That's good sound planning.

Mr. Edighoffer. I feel, Mr. Minister, that since you have decided to pass this legislation, I see no reason for leaving these sections in the Planning Act. This should be a comprehensive Act to cover all aspects of building and if done in this way I can see no reason why we should oppose a bill with such a principle.

Mr. Speaker: The member for Lakeshore.

Mr. P. D. Lawlor (Lakeshore): I must confess I feel something of a neophyte.

Hon. Mr. Clement: What are you?

Mr. E. R. Good (Waterloo North): They are under the Planning Act too.

Mr. Lawlor: I am not going to clue the minister in tonight. He can remain in his anterior darkness as far as I'm concerned.

Mr. Speaker, on a vote of commendation, I simply want to mention that I spent the better part of the summer perusing this document, not having anything better to do, of course. It has its own peculiar attractions throughout.

My first question, in a very general way—and I would ask the minister to make a note of it—is to what extent does this remain the extant document? To what extent has this draft of an Ontario Building Code been embodied in regulations? And can you give us any indication of what amendments have been made as they were brought into regulations and how they stand at the present time?

Secondly, there are areas which are known to us that have not been encompassed within the draft itself. The business of screens, for instance, which was mentioned in the House the other day, has not been covered. Would it be the intention of the ministry to catch such matters within the terms of the legislation?

I had occasion during the past couple of days to phone a couple of building commissioners to find out their thoughts about the Act. Building commissioners are not either rhetorical or pugnacious fellows; therefore, they on the whole informed me that they had what they felt were fairly trenchant observations and misgivings about sections of the Act, and had communicated them in fair abundance to the minister's office. We poor denizens in the opposition, of course, weren't favoured by these communications. So we are not particularly clued in as to the particular pinpoint objections—and, I understand, numerous objections—that had been raised by building commissioners throughout the province at this time. I would appreciate if the minister would address himself to that and give us some information under this particular head.

Also, since it is long since this bill was introduced—it first came into this House last spring—perhaps he could give us some reassurance that these matters have been given adequate and very thorough, I would suggest, persusal and analysis. If they are as trenchant as I have anticipated, then I'm surprised that his amendments forthcoming at this stage are not more pervasive and more deep-reaching that what he has indicated to us tonight. Is the answer to it that in the résumé of the various forms of submissions, he did not come to the conclusion that they were well-founded and therefore not worthy of embodiment? What goes on in this particular respect?

The structure of the bill has it own curiosities. The minister, as usual, is the master administrator, with gemütlichkeit; and he is setting up a new department under his department, as usual. As a matter of fact, in getting ready to approach the Treasury, he has expanded his girth in more ways than one and tries to take in a wider and wider desmesne in this public realm.

We are now going to have appointed, under this rather slim bill alone, a director of the building code branch who will have specific authority in this regard. Then we're going to be blessed with two brand-new entities never before dreamed of, or existing in this province. One of them is called a "building code commission" and another one with an even more munificent name—euphonic, I think is the word— the "building materials evalution commission." So we have three new burrs out of that single stone.

The minister therefore is doing rather well for himself on the basis of the proliferation of his agencies and the number of human beings he exercises sovereignty over, but that is the way of legislation these days. Having

erected such a magnificent structure, then I think that perhaps more authority and power should be conferred upon them.

Most of the things I have to say tonight, Mr. Speaker, were arrived at in consultation with my good friend from Riverdale. We traded notes—he gave me his notes and I gave him my wisdom on the matter. Therefore, in whatever I say I trust that he will buttress me, having got the deliverances from his own mouth, so to speak. But I have decided to refrain from mentioning certain portions of this legislation so that I may disagree with him, because I find that in this assembly it is a far more resilient thing to have a quarrel with my friend over here than with those fellows. They don't give as good an argument—they are too bland, too self-satisfied—

Hon. Mr. Clement: Too agreeable.

Mr. Lawlor: —but this is a man who feels the tensions in life. Therefore, if he will just be kind enough to step out of the way a little later on, we will get down to the bare bones of this particular legislation.

Then the bill sets up a council—no, it delegates to each council of each municipality responsibility for enforcement. I see nothing in the bill which would be any indication that the municipalities are under any kind of plenary obligation to adopt the legislation precisely as it stands. In other words, it girds them in, apparently, by the terms of the legislation and then it becomes a pure matter of how well it is going to be enforced.

The efficacy of the legislation, therefore, is not in the ministry's hands in a very trenchant way. The ministry is not going to be at the centre of things and a municipality may be lax, a municipality may thumb its nose at the ministry, a municipality may go its own way, it may have its entrenched habits. Therefore this legislation may come very much to naught, throughout the province.

I would be most pleased to learn from the minister precisely what are his plans for this particular regard with respect to uniformity and universality of its enforcement. Is he going to have some policing mechanisms? How is he going to know whether it is being carried out in one area of the province or even in one small segment of the province over again the rest, and whether the laxity in the code would not be an in-built way to attract building to a particular locale and, for those who take your legislation seriously, would act as a detriment to their building growth and their economic development? These are serious questions that have been built into this legislation.

Then the council of each municipality may appoint someone called a "chief building official," and there is mentioned the business of inspectors under him in turn—whatever one may call them. This chief official is given very wide powers indeed within the terms of this legislation. He is the fellow who does the issuing of the permits to do with whether or not they can either build or demolish a building. Apart from that, under section 6(4) he may revoke licences and permits under quite stringent terms. As a matter of fact, I personally like the revocation clause, but I come to question the demolition clause in its wording, in its peculiar animus and emphasis.

Before the private bills committee in this House last spring we had a prolonged debate, and gracefully acrimonious at the same time. We were split down party lines, somewhat, as to the city of Toronto bill, where demolition was a critical and crucial factor to maintaining the vital life of the city and preventing blockbusting, as it is called—a developer coming in and buying up one house, tearing it down or half tearing it down and leaving an eyesore in order to lower the value of every other house in the whole area so that he could come in cheap on the thing.

We had the devil of a time, as the members probably well remember, trying to move the Conservative minister in that regard to give cognizance to and to have the social good sense to recognize the merits in that legislation. But with a little vindictiviness and a good deal more cunning, we finally brought him around to making a commitment in this regard and the bill went through, like a latter-day saint, rather late in the session under some very severe pressure.

The minister seems to be niggling on the issue here. He seems to be pulling back. He set it up in fairly categorical and plain terms: "No person shall construct or demolish a building in a municipality unless a permit therefor has been issued by the chief official." Then he goes down, with respect to a whole series of bylaws, touching demolition among other things, and then at (6) he says: "The chief official shall issue a permit . . ." unless he can find some reason for not issuing a permit. And the balance there is shifted. The balance there is in favour of a mandamus procedure.

In other words, the discretion does not lie in the municipality. The benefits do not fundamentally lie there. It lies, again—and there

is our philosophical difference—in the private sector. They may do whatever they please provided that the law doesn't stop them. The social good, the overall benefit for that particular community, that has a secondary force or weight in the legislation. He must come up with and pinpoint the precise grounds upon which he has to interrogate the law: "except where (a) the proposed building or the proposed construction or demolition will not comply with this Act or the building code or will contravene any other applicable law."

I suppose in that connotation the term "bylaw" is well included in the term "law" and there is no misunderstanding about that, but we would like to make that point clear too in the course of the legislation. It's up to them to come up with determinate legislation, specifying the precise grounds upon which to object; otherwise, go ahead boys, roar into it, put up what you can, put it up in any way you please and tear it down, however disaffecting it may be to the general public.

That is a somewhat minor feature of the legislation but one which we must seriously consider, both in principle and in committee, as to whether the weight, the purpose and the thrust of your legislation falls.

The business about the occupation of new buildings is particularly interesting because, with the press of individuals wishing to get into, say, new condominum dwellings, or as renters into apartment houses, the members and I well know that for the past seven or eight years now—and more and more in the last three or four years—there have been enormously long waiting lists of people who have signed into apartment houses months ahead of time; sometimes 18 months to two years.

People see a building being constructed as they drive along the street. They note the telephone number or even interrogate the builder as to who is building and what accommodations may be available in this area, to get their name down and get set up, and before the doors are open, while the building is only in a very partial state of completion, because they have very little alternative, because they are being forced out of where they are presently living, or the rent structure has got beyond their means, they are into the new building, and very often many months go by before that building achieves an internal state of good habitation. In the minister's endeavour to do something about that, I suppose that is what the reason for the clause is—to prevent people moving in under those circumstances.

I think that is probably all to the good. The minister is going to have a dreadful time enforcing it. Since he is not enforcing it, since the local building people are going to have to, they are up against that particular obstacle. I would be most interested to see just how efficacious he thinks his law is going to be in this regard. He can pass all the laws in the world, but if they are not going to be obeyed, if the press of circumstance is so great, the exigencies people suffer from so great, they will ignore them. They will have to overcome them; they are forced into it. All you do is render the law a little ludicrous because it is relatively unobeyable. It was never really meant to be obeyed. I would like to know whether you really mean this thing to be obeyed.

On this particular clause, five days is not a long enough time on the notice being served:

> No person shall occupy or use, or permit to be occupied or used, any building newly erected or installed until notice of the date of its completion is given to the chief official, and (a) an inspection is made pursuant to such notice, or (b) five days have elapsed after service of the notice.

Hon. Mr. Clement: We are going to make that 10 days.

Mr. Lawlor: The minister is going to make that 10. That is very good. I move, Mr. Speaker, that it be changed to 10 days. I want to leave an indelible mark on this particular piece of legislation.

Hon. Mr. Clement: The member has convinced me.

Mr. Lawlor: The legislation is as draconian as the minister ever gets. When you give these extensive powers for an inspector to enter upon a building and inspect the premises; in subsection 2 with respect to unsafe buildings, he really can come down like a ton of bricks and move in on unsafeness. He can place a stop order on the situation; he may prohibit use or occupancy in the building. Then finally, he may demand repairs. Bang, bang, bang, one after the other. Is your building in a state of total erosion, or are you maintaining your equilibrium?

Mr. S. Lewis (Scarborough West): I think erosion would be the more appropriate word.

Mr. Lawlor: We don't want the wormwood to fester. The repair situation particularly is bothersome because the minister gives the power to order repairs, then if the individual

doesn't do them—and the minister doesn't spell out any machinery by which this is all accomplished—the municipality may move in and make the repairs, charge it off to the owner on the tax rolls, and make him pay back in his taxes. The minister is not very liberal about this. Usually legislation of this kind gives an alternative. Some kind of loan structure may be available, or terms may be arrived at between the building inspector and the occupants and owners of that building that they be given moneys or assistance on terms which would make it far less onerous if extensive repairs are being ordered.

Has the minister taken that into account? If not, I suggest it is a deficiency in your legislation as it presently stands and a matter that should be honestly considered in a possible redrafting of that particular section.

The minister was kind enough to make extensive alterations in the work of the building materials evaluation commission as a result of a tête-à-tête we had before dinner. After dinner, he's probably more irascible. Before dinner, I understood he would give, at the least, good consideration to amending a clause.

This special commission being set up is full of experts and building materials. I suppose there are chemists, people who have a knowledge of physics, and also the constitutions of building materials, modes of construction, how it's done and all this sort of thing. Their job is, as set out here, to examine and research, or cause examination and research into, new materials, techniques and building designs for construction.

As the hon. member who spoke just before me has indicated, the whole thrust and intention of this legislation has largely to do with new construction. It would certainly seem to me, if the minister is going to go to the trouble of setting up a commission of this particular kind, present and even past modes of construction, particularly the ones in the present, ought to be given some kind of surveillance. They would not have to concentrate upon that. Their concentration would be on new materials coming on to the market.

There are extant materials being used, which are, no doubt, deficient in one way or another because of the way in which the ingredients are put together, or because of the stress factors worked into the various types of building material which are sold every day. Some may be faulty and some may be dangerous, as things exist at present. Why not expand the job of the commission to give them at least the power, should they so desire, to survey that particular field and to look into that kind of material?

The changes that have been made with respect to the Municipal Act, the Planning Act, are as has been indicated, interesting. I, too, had wondered why section 13 of the Planning Act had not been taken out of that legislation. When one drafts documents as sick as this one, I would think one would try to encompass within them, all aspects in every area touching a building code. It should not be dangling in a different kind of piece of legislation, namely the Planning Act, which has to do with precisely that, laying down contour lines to good planning principles, not good construction principles.

Hon. Mr. Clement: Does the member want it out?

Mr. Lawlor: Yes.

Hon. Mr. Clement: We'll take it out.

Mr. Lawlor: Okay.

Mr. Renwick: Provided the minister has some reason. This is a debate.

Hon. Mr. Clement: Right.

Mr. Lawlor: I don't want any reason. Take it out. As long as it is in this legislation, we'll know where to look for it when the time comes. If it has any rationale in the Planning Act, which I doubt it has, then it will have equal lack of rationale here. We are all equal at the end of the bill.

Mr. Renwick: The member can be sure, if the minister accepts an amendment of his, they won't proclaim it.

Mr. Lawlor: Is that right?

Mr. Renwick: That's right.

Hon. Mr. Clement: He is still bitter.

Mr. Lawlor: The minister has taken out the excavating trenches in the one thing and placed them in the other thing—I trust; I haven't interrogated the trenches. I suspect it's in there, however. Certain sections in the Municipal Act having to do with changes in the structure of buildings will reduce the great bulk of the Municipal Act which needs a thorough overhauling in order to give some streamlining to that massive piece of legislation. All that material is just effluvia within the general legislation. As you may have gathered, we don't find this particular piece of legislation is so totally unpalatable that we can't support it.

Mr. Renwick: But it's comme ci comme ça.

Mr. Lawlor: Yes, it's comme ci comme ça. It was a toss-up there for a while. As we get into committee, we can take up the nice points of the thing.

Mr. Speaker: The member for York Centre.

Mr. D. M. Deacon (York Centre): Mr. Speaker, I support the view expressed by my colleague from Perth that this bill is long overdue. The principle of having a building code that could be reasonably the same across the province is certainly an important factor in reducing the cost of housing and also maintaining a standard that we know will protect the public, not only against shoddy workmanship and shoddy materials but also protect people in the neighbourhoods against structures beside them that are unsafe and could cause hazard to their own person.

There are a couple of things in this that do bother me very much. One is the matter of this building materials evaluation commission. I do not understand the need for that commission when we have something called the Canadian Standards Association. I well remember a debate on this matter of an Ontario building code in the private members' hour a few years ago when it was pointed out that the present system in many municipalities of setting a standard was on the actual material, not on the performance of the material.

For example, in Toronto, I think they required that a building be made of bricks with a certain length of horsehair inside the brick, or maybe that was to do with plaster in the walls. I know that there are some very, very odd definitions or requirements of the materials. I think they are being largely ignored today. Certainly they were in there from back 100 years ago. The National Building Code was primarily based upon the performance of a building material, whether it be its strength or its power resistance or whatever was the major requirement in that particular material.

Surely this is what we want to have determined by the building code commission. It will set the standards of performance. Then, should we not be accepting the decision of the Canadian Standards Association, which is equipped to test materials and does test materials and is therefore one place that any manufacturer can go to to know that in Canada there is one place that he can have the characteristics of his product certified? Why do we require these people to go through a different commission in every darn province that's going to be evaluating them? I don't see the need for it. I would appreciate the minister explaining why we would set up this additional obstacle to those who are coming forward with a material that meets a standard of performance that we set down or is set down by our building code commission, surely that is sufficient.

I also hope that the minister will go along with what the previous two speakers have mentioned and incorporate in this bill construction principles that are presently under the Planning Act, so that people do know across Ontario that there are certain construction principles that have to be adhered to when they are proceeding with a building of any structure.

With those comments, Mr. Speaker, I hope we will get satisfaction with regard to those matters, because this bill is certainly needed and we want to support it in every way possible.

Mr. Speaker: The member for Riverdale.

Mr. Renwick: Mr. Speaker, I agree that the bill is needed. I am not as sanguine as the members of the Liberal Party who have spoken or indeed on this particular occasion as sanguine as my colleague, the member for Lakeshore, about the bill.

Mr. Lawlor: I am going to speak after the member for Riverdale the next time.

Hon. Mr. Clement: Go for the jugular.

Mr. Renwick: If I thought there was any blood there, I would. Whenever the government introduces a bill that relates to anything dealing with the construction industry in all of its ramifications, and we in this party, of course, are mainly concerned with the problem of safety during the course of construction as well as the safety of the edifice once it is erected, we have got to recognize that there are in relative terms immensely powerful interests pressing upon the government in all of the aspects of this legislation.

There is no question whatsoever that the construction industry in the Province of Ontario is among the most powerful lobbies that are operating within the confines of the province. The construction industry encompasses not only the construction companies which are involved but the trade unions which are involved as well. If one looks at the press over the last several years in the Province of Ontario, an immense amount of print has been devoted to the problems of the construction industry in all of its ramifications—everywhere from bribery and criminal

offences to the problems of constructing houses for low-income people. In the range of that whole operation you are involved with immense numbers of professional people who also have powerful vested interests in the construction industry. The legal profession, in opposition to the height bylaw of the city of Toronto, has marshalled the greatest galaxy of legal talent before the Ontario Municipal Board, I suppose, that has been available for years—in support of the construction industry.

There's no question that the royal commission inquiring into criminal activities in the construction industry has also had some of the most powerful people in the province engaged in trying to understand what goes into it and to bring some rationale and understanding about the industry up to the kind of standards of behaviour that we understand.

I make no bones about it. There are areas of the trade union movement in the construction industry that have many things to answer for. I personally am acquainted with some of them. At all times we also have on the fringes, of course, the architects' association and the professional engineers of the province, both interested in preserving their particular monopoly. This is sometimes for the purposes of the public good but also, as we must understand, it is to protect their own particular vested interests.

My point, Mr. Speaker, is quite simple. When the Province of Ontario, after all these years, introduces a bill to create a building code, that deals with the quality of the construction and the safety of the structures which are involved, and it hinges upon the buildings in the course of construction as well as the finished edifices, and when—I forget how long, we've had it so long—

Hon. Mr. Clement: Last December.

Mr. Renwick: Yes. We've had this particular document, which is really the guts of the bill, before us since last December. I want everybody to understand that the legislative assembly is not capable of dealing with this kind of a document. Yet this is the document which the minister brings before us. The basic definition is "An Act to Provide for an Ontario Building Code," and the definition of a building code means the regulations made under section 18. Section 18 says, "It is the building code as provided by the regulations including—without limiting the generality of the foregoing—the ability by regulation to do so—" and so on. This is the document. I think we are entitled to put it on the record that neither this assembly nor any committee of this assembly will have an opportunity—and so far as I know the public will have no opportunity—to make any representations—indeed, to have any intelligible explanation of the document which is the guts of the Act the minister brings before us.

I'm not suggesting, for one moment, that I know how this assembly can deal with that kind of minute technicality. There are many ways in which it could have been done rather than to provide us with something out of the ministry, brought down from on high, called, "Produced for comment and discussion." And, of course, we are the body that is supposed to comment and discuss.

But no committee of this assembly has ever been designated as the body which is to conduct a discussion or to provide a forum under which the comment will be received about the building code. And I guarantee there is not a single member of this assembly who either has read or understood or comprehended the technicalities of this particular building code.

Mr. T. P. Reid (Rainy River): Well, now, I agree.

Mr. Renwick: Of course it's agreed. It's all very well to suggest—well there are some people in the assembly who think that it's a little bit too much for us to get involved in the detail of what we are doing. But the detail determines what is going to happen in the enforcement of this code.

I'm suggesting to the minister that if he had any respect and understanding, as he must have, because he was a chairman of a select committee, that there must be some kind of emanation of this body which, with expert advice and assistance, over a period of time could have provided a forum within which it could be decided whether or not this document is adequate.

We are being asked to pass an Act that is going to cover definitions, use and occupancy, design materials, building services, plumbing services, construction safety measures, public safety at the construction site, housing and small buildings. Then there is an appendix of a list of standards involved.

I want to make it quite clear, and I say it advisedly, that if or when—preferably when—but if we were the government of the Province of Ontario we would not enact into law such a code as this without having had some kind of public forum where it would have been the obligation of at least some members of this assembly, assisted by the kind of expert advice which would obviously be necessary, to understand what we are

doing, whether it is adequate and whether it accomplishes the purpose of the Act.

Let me assume for the moment that this is the ideal building code in all of its aspects. What do we find that the government then does? Does it assume any responsibility with respect to the enforcement of that code? No, it is a typical Tory bill. Because what do they say? Disguised under something called municipal autonomy, they impose the obligation for the enforcement of this bill and that code on the municipalities. That's one of the major provisions of the bill. They don't suggest for one single moment in the bill that it is the obligation of the Province of Ontario, not only to establish the standard of construction in the Province of Ontario, but to provide for the enforcement being done by the Province on Ontario and at the expense of the Province of Ontario.

The minister's bill is quite clear. The burden of the cost of the enforcement of this Act, which we are asked to delegate to the municipalities, is to be borne by the municipalities. I'm going to set aside for the moment that the government of Ontario has picked up the obligation for enforcement in the municipally unorganized parts of the Province of Ontario. Of course they had to do that. They had to fill in that part of it. But leaving that aside, in the major areas where the construction is going to take place they have said to the municipalities: "You will enforce this Act—your obligation is to enforce this Act." And they have not, so far as we know.

Of course, the minister may have the facts and figures of the financial studies which have been made to indicate what is the additional financial burden imposed upon the municipalities by this simple clause that the enforcement of this Act will rest with the municipalities throughout the Province of Ontario. All right. The obvious answer, of course, for the ministry is: "Well, they have had the obligation before, and all we are doing is simply saying that they will continue to have that obligation." But the minister knows very clearly that there is substantial additional cost being imposed upon the municipalities of the Province of Ontario by the imposition of the obligation to enforce this building code—if this is the building code that, as I say, is the ideal one which should be enforced.

The costs are extensive, not only with respect to any municipality which in a bona fide sense proceeds to enforce that building code, but with respect to the calibre of the persons who are going to be the inspectors who will enforce the code, with respect to the salary levels which will be expected of those building inspectors to enforce the code, with respect to any training courses which may be necessary in order to qualify persons for the enforcement of that building code, and with respect to the costs which will be incurred for the enforcement, because there is a very elaborate procedure set out for applications to be made to the building commission.

Of course, if any constructor doesn't want to go to the building commission he can start at the building commission and go back to the county court judge, and then there is an appeal to the Supreme Court of Ontario. There are any number of problems related to the additional costs that are involved.

I am prepared to guarantee, without knowing it, that this ministry has not had any consultations with the responsible ministry in the area of municipal affairs for the purpose of making any estimate whatsoever of the additional financial burden which you are going to impose upon those municipalities in the Province of Ontario—and I assume that if it is the law of the Province of Ontario, there will be a bona fide attempt to enforce the Act which this Legislature passes.

When the question came up, you know, "Comme ci, comme ça—shall we pass it?" and I hear the Liberal pap about "Oh, yes, it is long overdue," and, "Oh, yes, we must be glad to have it in the way it has come forward to this House," one has always to stop and ask whether it is really that worthwhile.

When you look at the bill, the government says the enforcement will be done by the municipalities, and then you look up at what the backstop effective procedures are for the enforcement of it, and it is imposed on the municipality to lay the charges and to prosecute them to the point where there may possibly be fines imposed. Nobody else can bring it. There is no such provision that any individual citizen of the Province of Ontario can bring any proceeding under this Act because of unsafe construction, because of a death on the construction site due to faulty construction.

The minister may say: "Yes, there are other procedures which are available." There are not other procedures which are available in any real sense. There is no way in which the municipality can be moved by petition of a citizen to take the action.

In the securities industry, of course, there is real money involved, so in the Corporations Act of the Province of Ontario there are elaborate provisions where a shareholder can bring a minority action and get into the court and have his day in the courts, and under the Securities Act the person can bring an appli-

cation and the commission will be obligated to do so and so, and so and so. When it comes to buildings now, which affect more people than the stock market and the securities industry, under the same ministry, there is never ever the thought given to the enforcement provisions.

I am simply saying to you that the enforcement provisions of this bill are totally and completely inadequate as to how the enforcement is to be carried out. On the other hand, the provisions with respect to the application and enforcement of this Act for the purpose of frustrating the purpose of the Act, are very carefully spelled out. The minister is providing for a building code commission, which is the commission to which any disputes are to be referred. Who is going to bring the dispute? The construction industry. The constructor is the guy who is going to dispute with the inspector of the municipality about the application of the Act.

All right, so he brings his proceeding before the building commission—and there is nothing about the composition of the building commission. As usual, the Lieutenant Governor in Council will appoint such and such people at such and such remuneration as will be decided at some point in time. They bring the proceedings before the building commission and if they don't like it before the building commission, where do they go? To the county court judge.

The county court judges of the Province of Ontario are very skilled and able in various fields, but one of the fields that they are not skilled and able to deal with is the field of the building code and the technicalities involved in construction. What does the Act provide? The Act provides that the moment that application is made to the county court judge, any proceeding which is then in process before the building commission is not in abeyance, is not suspended, it is terminated. That is the language of the bill.

So what is the building commission going to do, because anybody who comes before it can play games before the building commission, can move it before the county court judge, and, of course, the construction industry and the constructors in the construction industry are the ones who have the money to finance this kind of procedure, but the burden of the cost will fall upon the municipality? Of course, if they then do go to the county court judge, what does the county court judge say? He says, "I am not qualified." How can he possibly be qualified to deal with the technicalities of the building code and the specialist knowledge which is involved in this, and the need to consult with architects or professional engineers or other people?

So what does the bill provide? Having gone before the building commission and having withdrawn from the building commission and made an application to the county court judge, and terminated the proceedings before the building commission, what happens? The county court judge says, "I haven't got the knowledge to deal with this. I will refer the matter to the building commission." That is what the bill provides.

The building commission will then advise the judge as to what they think the specialist knowledge which he is lacking in requires him to be provided with in order that he can make the decision which is required, and then he can make the decision. He can bury the order, he can confirm the order, he can substitute his judgement for the judgement of the building inspector. And then, of course, there is the further appeal to the Supreme Court of the Province of Ontario should that step be necessary.

All I am saying is that regardless, and I go back to my proposition that even if this is the most ideal building code in the world—and I came to that conclusion only by assumption, not by any study which will ever be made of the building code in any public forum of the Province of Ontario that we know of—even if one assumes that, the procedures for its enforcement, for which the municipalities are responsible, are so costly to the municipality and so inadequate from the point of view of the protection of the person who may be subject to the defects which will result, or the consequences which will follow from an inadequate construction or an unsafe construction, that the bill really makes you wonder. It really makes you wonder whether we shouldn't have left it all alone and left those municipalities, under the Municipal Act, under the Planning Act, to carry on as they have carried on.

People say the other purpose of the bill is to make it uniform across the Province of Ontario. There is not a single word in this bill about the qualifications of the persons who are to be the inspectors. I happen to know some of the inspectors in the city of Toronto but not across the Province of Ontario. With the usual caveat that I am not criticizing the existing inspectors across the Province of Ontario and with whatever requirement may be necessary with respect to grandfather clauses, and again by analogy to the securities industry, where you provide an

elaborate provision for the licensing of persons who are to engage in the securities industry of the Province of Ontario, in this laconic bill there is not a single word with respect to the standards of qualification of the persons who are the ones in the employ of the municipalities of the Province of Ontario who will be charged with the essential responsibility of the enforcement of that code under what my colleague from Lakeshore referred to as the relatively draconian powers of the Act.

The quality of the inspectors for building purposes, despite the individual qualifications of those who may now in the various municipalities around the Province of Ontario be charged with that responsibility, is something which requires standards; something which requires testing; something which requires education; something which requires a medium within which the quality of their ability will be such that they can compete with—and I use the word "compete" advisedly—the skilled people in the construction industry with whom they will have to deal from day to day.

You're talking dollars. You're talking dollars in terms of salaries; you're talking dollars in terms of skills; you're talking dollars in terms of the educational requirements; you're talking about the colleges of applied arts and technology and whether or not there are courses for the upgrading of the standards of the inspectors across the Province of Ontario.

All right. I said when we indicated in our usual congenial way that, yes, we would support the bill that it's comme ci comme ça that we would support such a bill. One has to stand and fight some places and I guess one doesn't stand and fight on Bill 62. Maybe we should stand and fight on Bill 62. I don't know. I don't think really, even with the remarks I made tonight and the flaws which are obvious in the bill, that I feel constrained to indicate that we will oppose the bill on the second reading. I really don't think we will.

I want to say to the minister, as I said to the minister on a number of other occasions, the ministry that he is responsible for has got to get with it. It can't play this kind of game. Where there are immensely powerful vested interests, it can't play the middle ground between those vested interests and get away with it.

I want to talk a little bit about the composition of the building commission. I want an unequivocal statement from the minister at the closing statement about the intended composition of that board. If it is to be composed of representatives of the construction industry from the construction industry side, then I say to the minister we will require an equal representation from the trade unions involved in the construction industry to ensure that there is some skilled knowledge on the part of those engaged in the actual work on the construction which will counterbalance the immense financial power and manipulative abilities of the construction industry as such.

If the ministry decides that it is going to be divided in some way in a three-way split, then I think there must be one-third of the representatives from the trade union movement in the construction industry, one-third from the construction industry itself and one-third from something called the general public, who must be people who are not related to either branches of the construction industry.

I am not going to repeat myself, Mr. Speaker, because you know that I very rarely do that in the assembly, but my remarks apply equally well, and I hope with equal force, to the building materials evaluation commission. The representation on that commission also should be representative of the trade unions which are engaged in and deeply embedded in the construction industry in the Province of Ontario and have the knowledge and the on-the-job skills to evaluate the very things which the minister is talking about.

One could go on at some great length. I share the concern of the members of the Liberal Party, the member for York Centre and the member for Perth, about the exempting clause. As an aside, I would like to say I trust that the exempting clause is simply put in there as a traditional part of the provisions with respect to the regulations which may be passed. I assume it is not intended to exempt municipal government structures, provincial government structures or federal government structures, or emanations of the federal government, the provincial government or the municipal governments from the provisions of this building code. I assume that it is intended to apply, except in very exceptional circumstances, to all buildings which fall within the basic definitions set out in the original part of the bill, in section 1(b).

I really don't want to repeat the comments that my colleague from Lakeshore made about the obvious lack of communication between this ministry and the Ministry of

the Treasury, Economics and Intergovernmental Affairs with respect to the problems that the city of Toronto had in order to get the authority to deal by way of bylaw with the demolition problem that was staring everybody in the face. But, as the minister well knows, the power is provided for the inspector to provide for the demolition of any building anywhere in the Province of Ontario. Apparently we are supposed to pass that without any debate and without even an editorial in the Globe and Mill complaining about it, even though the bill has been on the order paper for a long time.

I'm not going to deal with it simply because I don't know what it is, and I wish my colleague, the member for Downsview (Mr. Singer), were here because he understands it. I don't know the effect of the provisions with respect to the issue of building permits so far as the authority and jurisdiction of the court to issue an order of mandamus requiring the issue of the building permit. I don't know any of these things.

I was very pleased to note that the minister said he didn't intend to put the bill into committee of the whole House tonight. I will await with interest his decision, because it is his decision, as to whether the bill is going to go into committee of the whole House at some other time or whether it is going to go to some standing committee, where there will be some opportunity at least to canvass, even superficially, some of the problems that have been raised by the members in opposition dealing with this bill.

I guess when it comes right down to it, I'm kind of a white Liberal in this kind of thing. I guess I've got to go along and say, "Well, it's better than nothing." I find it very awkward to do that. Undoubtedly, I will have another sleepless night tonight from having come to that decision.

My instinct, and all of the arguments, the range of the arguments and the force and direction of the arguments against this bill, would indicate it should be opposed. If we are not going to oppose it, I trust the minister will give us an opportunity to have a committee opportunity for interrogation, discussion and communication that will satisfy us. I also trust the act of faith which we always bestow on the government, and which impels us at this particular time to support the bill on second reading, will be justified.

Thank you, Mr. Speaker.

Mr. Speaker: The hon. member for Prince Edward-Lennox.

Mr. J. A. Taylor (Prince Edward-Lennox): Mr. Speaker, many of the observations that I was going to make, I must confess, have already been said. It concerns me, when we deal in principle with the bill which is supposed to cover the whole province in terms of building standards, construction materials, and so on, that it has taken so many years to study. The time required to develop a building code or a draft building code, I believe, signifies the difficulty of developing standards that would be applicable to every part of this province.

I appreciate the urban problems in terms of building construction, materials, and safety. When I perused the draft building code, which really is the essence of the bill before us, I must say it struck me as a rather formidable document that would probably boggle the minds of most municipal councils within my riding. As a matter of fact, I was afraid, for a while, that if it dropped off my desk, it might injure someone because of the sheer weight of the document.

The bill, as has been stated, rests with each municipality for its enforcement, and of course, the onus is on the council of each municipality to appoint a chief building official and building inspectors. If you read further in the bill, there is a provision for a council of a municipality to enter into an agreement with the province, which would provide for the enforcement of this Act. It strikes me, if the code we have seen is, in the due course, going to be adopted as a part of the regulations under the bill, many municipalities will have to enter into agreements with the province if we are really going to seriously see this Act enforced. This, of course, entails financial commitments. It entails a further centralization of authority and control with Queen's Park.

I wonder whether the same regulations are necessary in every part of the province. When I look at the existing procedures under the Municipal Act, whereby a municipality can adopt in whole, or in part, the National Building Code, it seems to make some sense that the commitment then is on the part of the municipality at least to review those parts of the National Building Code which it thinks would be applicable to that particular municipality, and to consciously review those provisions, and adopt them by a specific municipal bylaw.

There isn't the parallel here, in that there is no option on the part of a municipality to adopt the building code, which, under the provisions of this legislation, would be en-

acted by regulation. Therefore, the municipalities are really going to be told what provisions they must have in the laws, or bylaws, which affect those municipalities.

I am not suggesting we don't need minimum standards. As a matter of fact, our standards today in construction no doubt are too minimal. I think the shoddy workmanship so obvious to so many has gone on too long, and that workmanship is not confined to the construction industry.

But, I don't think we are going to legislate quality in workmanship. Some of the best buildings, including the one we are standing in today, I dare say were erected under legislation that was minimal—probably a bylaw a page or two in length. Those are historic buildings, buildings of substance and solidity that many organizations are trying to preserve because they have stood up, and represent the architecture of an era. There are substantial edifices that can be preserved. It wasn't necessary to have complicated legislation to construct that kind of building.

So it concerns me that all the municipalities in Ontario will be forced to enforce a building code which we have not seen, unless the building code distributed last December in draft form is, in fact, the code which will be enacted by way of regulation making the municipality responsible financially and physically for the enforcement of that piece of legislation and that code.

I question section 20 of the bill which provides that no action or other proceeding for damages lies or shall be instituted against the director or any member of the building materials evaluation commission, or anyone acting under the authority of the director, and so on. I don't understand the reason for protection in this legislation, which seems to be coming more prevalent in other legislation as well. I wonder, as well, if this code is adopted by way of regulation, how much fun a civil service could have with the nitpicking I am sure would go on in terms of applying the code to any particular building. I am wondering what impact that might have, not only on the building industry, but on the little people who are trying to build their own homes in many parts of this province; in the rural communities where we don't have giant building corporations putting together houses made of materials that were growing in the bush yesterday. This truly concerns me.

I would ask, Mr. Minister, that the bill be referred to the standing committee so all persons who have an interest in this legislation could make representations. I know the study has gone on for a long time. I am sure you have communicated with many segments of the province in terms of their interest in building, but I still feel that there is room for representation by the little man, by the ordinary person and by the small municipal councils which may want to know really what they are called upon to administer.

Mr. Speaker: The hon. member for Rainy River.

Mr. Reid: Thank you, Mr. Speaker. I do rise to support the principle of the bill. As far as I'm concerned the principle is simply to provide for an Ontario building code which I think we all agree we need in this province.

I must say I was quite impressed with the remarks of the member for Riverdale. He mentioned during his remarks that there seemed to be a lack of communication between the government and various ministries within the government. After listening to the member for Riverdale and his criticism of the bill, it occurred to me there must be a great lack of communication between he and the member for Lakeshore.

Mr. Lawlor: Oh, yes, we communicate. We agree to disagree.

Mr. Reid: However, I'd like to pick up where the last speaker left off. What concerns me, Mr. Speaker, if I may be parochial for a moment, is just how this bill is ultimately going to affect us in northern Ontario, particularly in those small communities that cannot afford to hire someone qualified to be a building inspector. A lot of municipalities today have someone designated as a building inspector and often he is the bylaw officer or someone else that is in need of a job or some such animal. Very seldom do they seem to have any particular qualifications for the job. Though I understand that the province or the municipality can enter into agreements with the province, one wonders what happens in those areas of unorganized territory and so on and what they will do in this regard.

In any case, we already have some such agreements or some such control by the province in regard to environmental assessment and we are already dependent on Ontario Housing inspectors to come to the various municipalities to give their approval. I can tell the minister right now that we are having trouble with this kind of setup. We have trouble because of the geography of the area and the delays in getting the inspectors there to make the inspections and to give approvals and so on. It seems to me that we are going to compound this problem, par-

ticularly in northern Ontario, unless the minister has some kind of programme to change that.

I have a number of comments that I want to make and again many of them have already been made. I too am interested in the composition of the building materials evaluation commission. I agree that some of the members on that commission should be from the union side of the table or the working man's side of the table, because these are the people that have to work with these materials and in that kind of atmosphere.

I recall, Mr. Speaker, when the minister, then rather new and fresh to his job but now haggard and grey with the responsibility of the times, brought in this draft of an Ontario building code. Having worked as a labourer in construction, as my father at one time also owned a construction company, I thought I would find it very good bedtime reading to titillate myself, so to speak, before I went to sleep. I must say that I'm not even sure an engineer can understand what's in this draft. I too am somewhat bothered by the fact that we don't know really what we are going to get when the smoke clears and the regulations come down. For some strange reason they always seem to come down or be promulgated in the Ontario Gazette in the issue I don't happen to read. Months later someone will come to me and say, "Do you know what the government has done to us now?" I suppose in many cases there is really no way around that particular problem.

I wonder, Mr. Speaker, if I could ask one question that very seldom gets asked either on second or third reading. I wonder how much this programme is projected to cost the people of the Province of Ontario? How much is the commission going to cost? How much is the director's office going to cost? How are these costs going to be recovered? How is the municipality at their end going to recover the cost of a building inspection staff, if they don't already have one or if they have to expand?

Very often, sir, we pass programmes in this House that we agree with in principle or sometimes we don't agree with in principle, but they get passed in any case, and we very seldom, if ever, talk about the cost. As a matter of fact, in my experience I can't recall any minister standing in his place and saying, "This programme, as a result of this legislation that we are passing, is going to cost X number of dollars." Maybe in subsequent years when we pick up the estimates for the department as a whole we then get some idea of what the programme is going to cost.

I wonder perhaps if the minister can indicate to us how much he projects this programme will cost at the provincial level, how much at the municipal level, and how these costs are going to be recovered.

Mr. Speaker: The hon. member for Windsor-Walkerville.

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, my comments concerning the bill will be quite brief. There is no one on this side of the House who doesn't approve of the principle of the Act to provide for an Ontario building code. However, one area that disappointed me as far as the contents of the bill are concerned is that there seems to be no protection whatsoever to the consumer, to the individual who is having the home built, in relation to the builder himself.

I thought possibly the minister would have had some licensing procedure in the bill so that at least the builder would have had to have some type of experience, some type of background, some type of skilled help, so that the individual having a home built would know that the builder is a reputable one. I have noted that in certain states in the union they do license builders; they don't seem to have quite the problem that I am referring to.

In spite of any legislation that may be passed, we are always going to get fly-by-night operators and unscrupulous builders. But at least if they are licensed they would prequalify, and there would be some assurance on the part of the individual having a home built that the individual building it meets certain criteria.

I noticed that the State of Michigan has legislation that also protects the builder who has a good reputation, so that his reputation isn't smeared by those who operate after a shady fashion. Rehabilitation contractors in that state must be licensed. An applicant for a builder's licence must furnish names of all owners, officers, and directors of his own company. This at least gives the State of Michigan an opportunity to weed out chronic bankrupt builders who may go about the state from one municipality to another taking advantage of those who maybe are unable to read, or hesitate to read, a contract, or who are talked into signing a contract by some smooth, slick, high-pressure salesman. That state also calls for annual licensing.

I would have hoped that the minister would have had something in there that

would have licensed the home builder so that we wouldn't get the fly-by-night operator. I mention this to the minister because even in Ontario Housing projects—we happen to have two in our community—one, the Elizabeth Gardens, and the other, Essex Development I think it was—in which the condominiums built for Ontario Housing by a contractor had such shoddy workmanship that the local paper carried two full pages of criticisms and faults that they found in the construction.

Mr. Speaker, I think we have to protect in some fashion those who find difficulty in protecting themselves. In that category I could probably refer to the elderly or to the ethnic individual who doesn't quite understand what he is signing simply because he may not have gone to get legal advice or, as I said earlier, perhaps he was simply smoothtalked into signing the contract. I would hope, Mr. Speaker, that the minister would consider the licensing of not only contractors but also repair contractors.

Mr. Speaker: Does any other hon. member wish to take part in this debate?

The hon. member for Welland South.

Mr. Haggerty: Mr. Speaker, I wanted to add a few comments to Bill 62. My main concern is that the minister in proposing some amendments, indicated that a section of the bill would remove the words "building inspector" and leave it as "inspector." The question I want to ask the minister is this: Does this include fire inspectors?

When one looks at the building code, there are a good number of pages dealing particularly with fire safety in buildings, and I was just wondering if by deleting the words "building inspector," that would include the fire officer. In other words, section 19 of the Fire Marshals Act gives pretty good powers to the fire chief or the fire marshal or the deputy of a fire department to go in to inspect older buildings to see if they meet fire safety standards. Apparently this bill before us does not refer to older buildings at all, unless perhaps it is going to be renovated, but even then I doubt if it will come under that section.

As for other matters that have been raised here tonight, the member for Perth mentioned the Planning Act. I feel that there is a conflict between the draft of the Ontario Building Code and the Planning Act as to why fire escapes would remain under the jurisdiction of the Planning Act when the draft of the Ontario Building Code definitely mentions fire escapes and says they should be under its jurisdiction and not under the Planning Act.

In the matter of highrise buildings, I notice that the draft of the building code mentions a test of potable water system—perhaps that's another area of conflict with the Ministry of Health or the Ministry of the Environment —yet we find nothing in the Ontario Building Code that says that there should be adequate water supply if you are going to build a highrise building. There is nothing there to guarantee that safety.

I do endorse the principle of the Ontario Building Code, but there were some questions raised tonight as to whether it should apply to all municipalities. Well, I can say this much: In the Niagara region, where there are about 12 municipalities, some have adopted the National Building Code in principle and some have adopted parts of it. There are some rather conflicting views in a community as to matters of safety.

I can recall raising a matter here in connection with nursing homes, where one municipality would say an old building could be renovated and it doesn't have to conform with any fire bylaws or regulations, while another municipality that had adopted the National Building Code would say that those regulations have to apply. So a nursing home could be established in one area that would not be allowed to establish in another area.

I think one of the important matters here is that we have a building code that will apply across all of the Province of Ontario. I know there were questions raised tonight as to who would pay for this in the municipality. Well, the municipality that I used to represent had a building inspector and we charged a fee for building inspection. I forget what the fee was, but it was based upon the value of the home; if it was worth $10,000, $15,000 or $20,000, there were different rates. The fee may even be as high as $50 today. So they can recover part of the cost for the inspection.

Another point that is not mentioned in the Ontario Building Code deals with the inspections of hotels and the construction of hotels, which comes under the jurisdiction of the Liquor Licence Board. Again, we have two separate bodies there and this is where perhaps problems are going to arise.

Perhaps this is one of the reasons why there is the matter of an appeal system in the bill. When I look at that particular section of the bill I find that it's an adversary

system which is going to be established in the Province of Ontario to maintain the building code. If I can recall them, the present municipal controls that deal with the National Building Code do not have this approach, and there is not that hard-core feeling that you're going to have to go to the higher courts to have a dispute settled. Usually, it's settled right at the building inspector's desk.

I feel that this is going to be a costly addition for a municipality which is going to have to pay the cost of the court action. The bill is going to shove much of this responsibility for inspection of buildings on to the local municipalities, with little regard as to who will bear the cost if it has to go to the higher courts.

As was mentioned before, there is nothing in here that says that the ministry is going to provide some protection for the consumer in this matter. All kinds of shoddy buildings can go up in a municipality, and there is nothing in here that says that the consumer is going to be protected from that shoddy work. Again, perhaps the minister should bring in amendments to that. I'm well aware that he has a certain jurisdiction under his ministry now to provide some protection for consumers in the Province of Ontario but I find there is nothing there for a home buyer in the province. Perhaps the purchase of a home is one of the most important and most costly items that a person will lay out huge sums of money for in his lifetime. I think there should be some protection provided to the consumer.

Those are my particular comments, Mr. Speaker. I feel that I shall support the bill in principle. I think that in the long run it will iron the kinks out, but I think it is going to be costly to the municipalities.

Mr. Speaker: The hon. member for Kitchener.

Mr. J. R. Breithaupt (Kitchener): Mr. Speaker, this bill does bring to fruition a lot of the comments that have been made in the House over certainly the seven years that I've been here with respect to the development of a building code that would be standard across the province. There are just two points that I would like to talk about tonight, Mr. Speaker.

First of all is the one dealing with the matter of screens, to which I referred in a question to the minister earlier on this week. As the minister is well aware, the press has had, unfortunately, quite some publicity this last while as the result of small children, particularly, falling from balconies or through windows which had been improperly screened, or whose screens could not stand the kind of pressure that an active young person might present to them. There have been several of these cases, particularly in the Metropolitan Toronto area, over these past several years which have unfortunately resulted in the death of small children.

When I had first asked the minister the question concerning the matter of screens, it was my understanding that the matter was in hand. However, I then advised the minister that in fact it would appear that the committee that was charged with this particular responsibility had not come up with a series of standards which would especially be useful in new buildings and which, of course, would serve as a guideline to municipalities as renovations to old buildings would be done, or as pressure could be brought to upgrade those standards for the safety of all.

I would like to hear from the minister how he proposes to handle this problem, because it seems to be one that is important to all of us. It is important not only because of the unfortunate publicity that such a tragic death occasions, but it becomes doubly important when we realize that perhaps higher standards with child-proof closures and screens fitted in frames that could withstand the pressure that a five- or seven-year-old might bring to them are things which could possibly be achieved. Obviously these events can occur from time to time, no matter how well-meaning or how well enforced the laws may be. However, I think if we have clear standards which we encourage, or possibly require be met, the chance of this kind of event will be lessened.

The second point I want to raise, Mr. Speaker, is that dealing with the matter of firefighting authority in relation to various items under the building code. Other members tonight have spoken regarding inspection of various buildings by safety and building inspectors. Another area the minister should consider has been brought to my attention particularly by Mr. Edward Johnston, the fire chief of the city of Kitchener. Chief Johnston writes:

> This code unfortunately does not provide for any real fire department authority in firefighting matters in which his department and other firefighting departments are directly involved.

He cites water supplies, alarm and communication systems, sprinkler and stand-pipe systems, smoke venting systems, highrise

building requirements, fire department vehicle access and various other safety features as the sort of things in which fire authorities should have some input in design, suggestions, and setting basic requirements.

This is a rather serious situation, especially as we may be dealing with highrise buildings, whose architectural design may not be the best as far as fire prevention and firefighting is concerned. There are architectural authorities; perhaps even through the fire marshal's office persons are available to bring suggestions and expertise into the area of design so that these various amenities and requirements are built into the very tall buildings now being developed, particularly in metropolitan areas.

I think, though, that a building code should be somewhat more strongly used in setting out requirements for these various public authorities to be involved where they have the expertise that could be useful in design and control. If the code is going to be the first place people look when they establish new rules and guidelines, the code should clearly set out the kinds of persons and authorities with a responsibilty to ensure construction work is done safely, so far as the construction facet itself is concerned. In such matters as fire safety, the code should set out the requirement and encouragement of persons in responsibility in fire departments across the province to have some input.

Our firefighting authorities have a responsibility which they will probably be delighted to take on if the minister will encourage them by requesting or requiring some of their input as the building code is used and developed.

With those two items, Mr. Speaker, to which I hope the minister may give consideration, I would say that we on this side of the House are pleased to see a building code being brought into Ontario. We will support the bill.

Mr. Speaker: Are there any other members wishing to speak to this bill? If not, the hon. minister.

Hon. Mr. Clement: Thank you, Mr. Speaker. I have listened with interest for some two hours to the various suggestions and observation offered by the members participating in this debate.

The member for Perth led off, suggesting he hoped the code would, as I understand his remarks, eventually apply to older buildings in an effort to update them. I think this will come eventually. The present legislation does not contemplate it, obviously. But I think eventually we will head in this direction to upgrade existing buildings so they comply in providing the necessary safety and hygienic features required in any building today.

The reason the numbers of people on the two commissions are not spelled out in the legislation is because at present we don't know the full extent of their work load. We can anticipate. It may be necessary in certain instances where three or four matters will be heard by members of the commission at the same time in order to expedite applications before the commission, that is, grievances or complaints by an interested party on a decision of a building official and those other matters dealing with the evaluation of building materials.

The member for Perth also made mention, as did the member for Riverdale, of the exempting sections. I want to assure him that the exempting sections only apply to those types of buildings that are for a peculiar reason, let me say, correctional institutions or perhaps rural buildings, such as farm barns and sheds. It is not intended to exempt a series of buildings, government buildings or anything else, so that we arrive at a proliferation of standards. Exemption is for buildings for a particular specialized purpose.

The member referred to letters from fire departments which he has received. He particularly read one over the hand of the secretary of the Ontario Association of Fire Chiefs. I met with the Ontario Association of Fire Chiefs and Mr. Crouch, the secretary of that association, was present. I believe the day that we met was Oct. 7. I initially had had discussions with one of the members of the association, namely, Chief Manoll of Brockville, early last spring, within a few days after I had introduced the bill. The association was concerned—and this has been mentioned by various members in the debate this evening—that it might perhaps be overlooked or play no role in the operation of this bill. They presented to me their reasons, as have members here this evening, why they did, in fact, have a contribution to make. There is no suggestion that they don't have a contribution to make and a very positive contribution for very obvious reasons.

I pointed out to them during our discussions, and they agreed once we had these discussions, that the chief building official might in many instances be the fire chief or a senior member of fire department in a municipality. I think there has been a tendency by many people reading the bill to

think a chief building official is necessarily an existing building inspector or the head of the building inspection branch of any municipality. In any event, there is no doubt but that the fire departments across the province will be able to make a very positive contribution.

When the building materials evaluation committee is created, I intend to see that there is very strong representation, from members of firefighting forces, be they chiefs or safety officers or whatever they are designated, as members of that committee. They are very knowledgeable in the field of building materials insofar as public safety is concerned.

Also, as I mentioned earlier in my opening remarks, the deletion of the word "building" before the word "inspectors" will indicate a broadening of talents that we wish to utilize. That will include the various inspectors that we have already touched upon, including fire people, plumbing inspectors, sanitary inspectors, and this sort of thing. I did appreciate the opportunity to meet with the Ontario Association of Fire Chiefs and have the advantage of their observations.

There has been mention made, initially by the member for Perth and by various other members, dealing with paragraph 26 which relates to the deletion of certain paragraphs in the Planning Act. I propose at the time that we proceed to the debate on section by section of the Planning Act to delete, in addition to those sections already shown, sections 6, 11, 13 and 21.

Mr. Lawlor: How about putting the termites over there? Put some termites into your legislation.

Hon. Mr. Clement: That may be a very interesting section to debate. I am not as familiar as I should be, not having spent as much time in Florida as my friend from Lakeshore. Perhaps I could have the benefit of his views.

Mr. Lawlor: Wormwood.

Hon. Mr. Clement: Wormwood, is that what it is? The member for Lakeshore with his usual charm persuaded me to accede to one of his suggestions. However, he breached the understanding I thought we had arrived at prior to the dinner hour. I must always weigh his suggestions very seriously, and I told him I might reflect positively on this one and grant it. But I said there must be a price exacted and the price would be that he wouldn't dwell on it in his discussions. I am glad that he did, in all sincerity, adhere to that undertaking and reduce the duration of his remarks pertaining to that particular section from 45 minutes to 25. Therefore I can't consider his undertaking as having been breached and I will honour the understanding.

Mr. Lawlor: Of course not. If you wanted to dwell on something, you would spend time on it.

Hon. Mr. Clement: I must add that I am pleased that this summer the member saw fit to read some of our legislation rather than spending his time on literature of some questionable character.

Mr. Lawlor: It was one of the dullest summers I have had.

Hon. Mr. Clement: I am sure it has been.

He questioned whether there had been numerous objections. There have been many observations offered by municipal building authorities, plumbing people, people in different trades in the various municipalities in the province and from various trade associations. Most of them were technical comments relating to the proposed regulations. Most of the observations were very valuable. As a matter of fact, one of the most valuable comments we received came from a municipality up in the Dryden area dealing with certain technical objections. We welcomed those views and we are going to reflect the majority of them. Many were duplicated, of course.

There will be amendments going into the regulations. This is a draft put forward. They are not really amendments. There will be addenda. There will be certain things deleted and certain things amended. The member for Kitchener and I had some discussions over the past few days dealing with screens. That sort of thing will be dealt with in the new regulations once the Act comes into force.

The member for Lakeshore made some mention about the creation of the office of director and so on. I would like to point out that we have had a director in this division for approximately three years. He is present here tonight and has been very instrumental in the workings of the two committees, known jointly as the Carrothers commission. I think the office of director was created in 1970.

Mr. Speaker, I have already made mention of the fact that in our amendments we are going to enlarge the time period referred to by the member for Lakeshore from five to 10 days. We shall also take the advice of

the member for Lakeshore and delete the word "new" so that the building materials evaluation committee can deal not only with techniques and materials that are new in concept but, in fact, those which have perhaps been accepted over some years and must now be re-evaluated for some particular reason.

The member for Lakeshore talks so much I keep running out of paper here. I am not trying to delay, Mr. Speaker, I am just trying to find out where we left off. The last word I have here is his usual transmogrification suggestion and then I seemed to run out of ink at that point.

Mr. Lawlor: I didn't use the word tonight; deliberately didn't use the word.

Hon. Mr. Clement: The member for Lakeshore made some mention of the occupancy certificates, or the permits for occupation. We are all aware of some of the inherent dangers of having people move into buildings when they are not really completed, insofar as safety and hygiene matters are concerned. We don't intend that the legislation dealing with occupation will encompass buildings of low density—we can see little problem there—but basically buildings of high density, particularly highrises, to make sure that the heating, the elevating and the lighting and fire systems are complete before any persons are allowed to occupy those types of buildings.

The member for Lakeshore also spoke about the powers of inspectors, and may I point out, as I am sure he realizes, most of these powers are already vested in building inspectors under the Planning and Municipal Acts. He can now, at the present time, issue a stopwork order, but under our legislation only the chief building official will have that power. I haven't suggested any plan of financing in the event that repairs are ordered, because I must point out that the legislation is intended for new buildings only at this particular time, and it was felt that the new owner or contractor creating the building would probably have arranged his own financing and we didn't propose to finance the repairs which we, in fact, order. The power to add the repairs to the taxes has long since been part of the Municipal Act and this is not a new concept at all.

There was a remark or an observation made by the member for York Centre dealing with the Canadian Standards Association wondering why we need the building materials evaluation commission. I am advised that the CSA writes minimum standards pertaining to the qualities and strengths of materials and fastening devices, performance, and so on, but it only responds to the request of the construction industry and manufacturers per se, and doesn't necessarily operate in any other area. I am advised that at this time there is no national equivalent organization to our proposed building standards evaluation committee, and, accordingly, that is why we suggest that the legislation is needed creating that type of committee.

The member for Riverdale pointed out that in his opinion the construction industry was a big lobby and that obviously the proposed legislation was industry oriented. I am advised that on the Carrothers commission, which consisted of some 60 technical people with varying backgrounds in all kinds of structural and design matters relating to the construction industry, there were only, I believe, two out of the 60 members of that commission who were actively engaged in the construction business. Others had been, or had backgrounds in engineering, or were working as consultants, but there were only two contractors involved on the personnel of that particular commission. We have had no significant number of recommendations for variance from the proposal from the construction industry, although we have received a number from municipal building inspection departments, fire departments and so on.

He also said that no committee of the Legislature has had an opportunity to deal with the proposed regulations which, as he quite correctly pointed out, are the guts of the Act. May I point out that it took some 60 people, all of them having a vast experience and background in the building business and in enforcement—and there was representation from municipal building people—nearly three years to develop these regulations.

Mr. V. M. Singer (Downsview): There are five Tories here and the minister is talking. If he is not careful, we will ring the division bells.

Hon. Mr. Clement: It would seem very difficult to have the matter go to a standing committee or a select committee of this House to be adjudged by amateurs.

Mr. Singer: Let the member for Humber get up and make a speech.

Mr. N. G. Leluk (Humber): The minister has the floor. Let us have some order in here.

Mr. Singer: About time. It would be the first time in the House.

Hon. Mr. Clement: Is this the member's first time in the House? I welcome him to the House. It is always nice to see him.

Mr. F. Drea (Scarborough Centre): It's his last time in the House.

Hon. Mr. Clement: I remember seeing the member for Downsview last year. I am very fond of him and I missed him over the past few months.

Interjections by hon. members.

Hon. Mr. Clement: The same member said that—I like this wording—while the government would assume the responsibility for the enforcement of the proposed legislation, the municipalities would do it. As I noted his comments, he said this is typical Tory autonomy.

Mr. Singer: Oh, yes.

Hon. Mr. Clement: Do you like that?

Mr. Singer: Oh, I like that. I am almost going to sit down and listen.

Hon. Mr. Clement: This is a good line and I think he should realize it, because it typifies a philosophy that I feel very strongly about. He knows how strongly I feel about things. We think that the local municipality and the inspectors of local municipalities are the ones who should do the inspections and the enforcements.

Mr. Singer: Oh yes, it is cheaper that way.

Hon. Mr. Clement: They are aware of the local situation. In this business, you don't win or lose. You are wrong both ways. If we do it from Queen's Park, then my friends across the way say it is all centralized. Here we have the refreshing view now saying, "What is the matter with you? Decentralize it. We think that it should be done by the municipality in which the building is being constructed."

Mr. Renwick: Oh, of course, because the government will be free of responsibility.

Hon. Mr. Clement: I welcome the member back. It is always nice to see him.

Mr. Reid: There is the great centralizer on the left.

Mr. Renwick: When the government ought to give them freedom it keeps it itself, but when it ought to show responsibility it delegates it.

Hon. Mr. Clement: There was the question as to what it is going to cost the municpalities. We are advised that there will be no additional costs to the municipalities because the fees chargeable for building permits and demolition permits will offset the cost of the programme.

Mr. Renwick: Advised by whom?

Mr. Singer: Come on!

Mr. Renwick: Come on, the minister doesn't have any—

Hon. Mr. Clement: There is no additional cost because they are doing this right now. They have building inspectors there right now.

Mr. Singer: Ask the former reeve of Etobicoke. He has got a great grin on his face. He knows better.

Hon. Mr. Clement: He consulted also with TEIGA and also with the Provincial-Municipal Liaison Committee and the concept of enforcement at the local area has been endorsed substantially by those organizations.

Mr. Reid: Wasn't Pierre Benoit on that committee? I guess he will be back on it.

Mr. Singer: The member for York West (Mr. MacBeth) knows better than that.

Hon. Mr. Clement: The member for Riverdale suggested the composition of the two commissions should be roughly, as I noted, one-third trade union, one-third construction and one-third general public interest. I can't give him any undertaking as to how the complexion of those commissions is going to be constructed. It would seem to me it would be in the best interests of all if those commissions reflected technical backgrounds of great diversity—perhaps plumbing, electrical, mechanical, heating, air conditioning and all this sort of thing—as opposed to a particular class of individual, be it construction or trade unions. I think we should have various trades represented, and technical people, engineers and fire department personnel. This is the sort of committee that I visualize the Lieutenant Governor should appoint.

The member for Rainy River asked what the proposed costs would be to the province for the programme. The proposed costs of the programme to the province is estimated at about $350,000. He also asks what it would

cost the municipalities in total. I cannot give him those figures.

The advice we have received from both TEIGA and the municipal liaison committee was that no tremendous increase in cost was foreseen by the municipalities because of the fees they would derive from the building permits. If there was no construction there would be no fee, but there would also be no duty to perform.

He mentions smaller municipalities in northern Ontario. Those that are not organized are of course dealt with directly by the Act and become the responsibility of the province.

Mr. Reid: That's the problem.

Hon. Mr. Clement: Those that are organized can enter into agreements jointly with an adjacent municipality.

Mr. Reid: Yes, but adjacent can be 90, 100, 200 miles away.

Hon. Mr. Clement: I realize there is some concern because of the distances involved. I didn't understand whether the member for Rainy River indicated there are people who are part-time building inspectors; or whether they had a multitude of duties, that being one. May I repeat that Dryden indicated tremendous interest in the programme and was very helpful in making submissions to us over the past summer.

The member for Windsor-Walkerville asked about licensing builders, pointing out there is no provision for this in the legislation. This legislation, of course, deals with standards of buildings, not with standards of builders. This would be proper content of a home-warranty programme type of legislation, but is not relevant to the legislation here this evening.

The member for Welland South commented about differences in physical standards of nursing homes. Nursing homes, as with other institutions, are always subject to provincial standards which apply to all, and I am not aware, in the Niagara area, of any great divergence of basic standards. I know some nursing homes are much older than others and they have been up-graded over the past two years.

I have already dealt with the remarks of the member for Kitchener dealing with screens. I am sure he is aware that, as far as I can ascertain, reports of inquests dealing with tragic accidents involving small children pushing screens away have indicated, without exception, some human interference with the barrier, be it a screen or some other device, by the removal of the screen, presumably by an adult, or interference with a lock.

I don't know what the committee will propose regarding safety devices on screens; but there will be, hopefully, something introduced. I think his concern is that of all of us in this House; that youngsters cannot remove them or suffer death or serious injuries as a result of the thing failing.

I guess the screen is put in, in most instances, to keep the bugs out. Unfortunately, when you get into high-rise buildings, children play with them and damage or death results.

Mr. Speaker, I hope I have dealt with most of the observations made by the members opposite. I propose that the matter go to committee of the whole House.

Mr. Singer: Not standing committee?

Hon. Mr. Clement: Not standing committee.

Mr. Reid: On a matter like this?

Hon. Mr. Clement: On a matter like this, because—

Mr. Singer: The member for York West wants to appear at the standing committee.

Hon. Mr. Clement: I think the need for the legislation is very evident. I can see no purpose in proceeding before standing committee of the house.

Mr. Speaker: The motion is for second reading of Bill 62. Shall the motion carry?

Some hon. members: No.

Mr. Speaker: Those in favour of second reading of Bill 62 will please say "aye."

Those opposed will please say "nay."

In my opinion, the "ayes" have it.

Motion agreed to; second reading of the bill.

Mr. Speaker: I understand this is to be referred to the committee of the whole House.

Agreed.

Clerk of the House: The 28th order, concurrence in supply for the Office of the Speaker.

CONCURRENCE IN SUPPLY, OFFICE OF THE SPEAKER

Mr. Speaker: Shall this order be concurred in? Carried.

Mr. Renwick: Mr. Speaker—

Mr. Speaker: I will listen to a question. There is no time for debate, of course, the time has expired.

Mr. Renwick: Well, if I may draw the attention of Mr. Speaker to rule 87(g) of the standing orders of the Legislature of Ontario, you will note that one sitting, which is defined in that section to be two-and-one-half hours, is allowed for debate on any motion of concurrence. We are no longer in committee; we are assembled in the full House to vote concurrence in those estimates.

Mr. Speaker: I am sure the member will recall that the time for concurrence has to be included in the time allotted to supply, which has all expired. So there is no time left.

Mr. Renwick. Mr. Speaker, I want to—

Mr. Speaker: Order, please. That is the ruling.

Mr. Renwick: Mr. Speaker, with the utmost respect—

Mr. Speaker: Well, not really. It has been the custom of the House and—

An hon. member: It is under 87(c).

Mr. Speaker: Under clause (c), it is pointed out; and that is the procedure we have followed. It has been in accordance with the orders of the House up until now and still is.

Mr. Renwick: Mr. Speaker, if I may be permitted—

Mr. Speaker: I have made the ruling.

Mr. Renwick: Mr. Speaker, may I ask your indulgence not to force an issue on the question of the rules; I would like to have an opportunity to comment upon the rules, since they are the rules of the assembly, and I would like the other members to have an opportunity to comment. I will, of course, abide by any reasonable interpretation of the rules.

Mr. Speaker: Order, please. Rule 87(c) has been pointed out to me:

> The proceedings in committee of supply shall be limited to not more than 90 sittings, including the presentation of and debate on reports provided for in clauses (g) and (h) of this standing order, to be reduced in accordance with the following provisions of this standing order.

And (g) and (h), I presume, cover that. Well, it is someplace in here; I have difficulty in finding it right at the moment.

Mr. Renwick: May I, Mr. Speaker, without causing a confrontation, ask you to allow me to express my view on that rule and ask my colleagues in the Legislature to comment about it? We are most concerned about it. Would you, please, Mr. Speaker?

Mr. Speaker: Very briefly.

Mr. Renwick: Thank you. I do not profess to be an expert in the rules. I would refer the Speaker to rule 87(g):

> Each report to the House shall be placed on the order paper for debate at a subsequent sitting, provided that such debate shall be confined to not more than one sitting.

I refer back then, as to what the meaning of each report is, to item (f) of rule 87:

> All estimates which are referred to a standing committee must be referred within 30 sessional days from the day of the presentation of the budget, and the committee to which such estimates have been referred must report to the House within 75 sessional days from the day of the presentation of the budget; but in any case, a committee to which any department's estimates have been referred must report to the House as soon as it has concluded its consideration of that department.

Then, referring to item (g) again:

> Each report to the House shall be placed on the order paper for debate at a subsequent sitting provided that such debate shall be confined to not more than one sitting.

And if I may refer to item (a) of section 87, in this standing order the term "sitting" means a period of 2½ hours.

I respectfully suggest, Mr. Speaker—

Mr. Speaker: Order, please. May I just point out that subsection 87(c) says: "The proceedings in committee of supply shall be limited to not more than 90 sittings, including the presentation of, and debate on, reports"—which is the concurrence we are talking about—"provided for in clauses (g) and (h)." So it's included in the 90 sittings, all of which have been used up. That is the ruling and that is the interpretation that has been put on it since 1939.

Mr. J. E. Bullbrook (Sarnia): That's fine, that is right; but you've got to put it on the order paper first, Mr. Speaker.

Mr. J. E. Stokes (Thunder Bay): With the greatest of respect, Mr. Speaker, isn't it true that for every ministry that is referred to committee 10 hours are deducted from the time allocated in the House, so that, with the greatest of respect, we still have five sessional days in committee? We are still using that time, and until the time in committee runs out we are still entitled to 2½ hours for each concurrence that is referred back to the House.

Mr. Speaker: That is not right. The time has expired for consideration in the House and any reports thereto, which includes a concurrence.

Mr. Renwick: Have 90 sittings expired? Surely 90 sittings haven't expired?

Mr. Speaker: Yes, it has. It has all expired.

Mr. Breithaupt: Mr. Speaker, if I might make a suggestion to you, sir, the matter that has been raised by the member for Riverdale may be worthy of some consideration before the House meets tomorrow at 10. If you, sir, would give it that consideration, perhaps the concurrences could be called tomorrow as part of the ordinary procedure, rather than to deal with the matter–

Mr. Singer: What could be more reasonable than that?

Mr. Breithaupt: –here, in case there is some point that may be worthy of being discussed.

Mr. B. Newman: Sweet reason.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Yes, Mr. Speaker, I think that is a very worthy suggestion in that the rules will not change.

Mr. Singer: They'll break down tomorrow.

Hon. Mr. Winkler: That's correct, that is absolutely correct.

Therefore, Mr. Speaker, before I move the adjournment of the House–I trust that's in order–I would like to say that tomorrow morning we shall proceed with the consideration of item 3, Bill 9; and following that I would call item 27, Bill 137.

Hon. Mr. Winkler moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10:35 o'clock, p.m.

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Legislature of Ontario Debates

OFFICIAL REPORT — DAILY EDITION

Fourth Session of the Twenty-Ninth Legislature

Friday, November 15, 1974

Speaker: Honourable Russell Daniel Rowe
Clerk: Roderick Lewis, QC

THE QUEEN'S PRINTER
PARLIAMENT BUILDINGS, TORONTO
1974

10

Price per session, $10.00. Address, Clerk of the House, Parliament Bldgs., Toronto

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Daily index of proceedings appears at the back of this issue. Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff (Phone: 965-2159).

LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, NOVEMBER 15, 1974

The House met at 10 o'clock, a.m.

Prayers.

Mr. J. A. Renwick (Riverdale): Mr. Speaker, if I may, I would like to introduce to the assembly 30 students from the Adult New Canadian Centre on Jones Ave. in the riding of Riverdale, who are sitting in the east gallery under the supervision of Mrs. M. Burnett. I would ask my colleagues to welcome them.

Mr. Speaker: Statements by the ministry.

Oral questions.

GO-URBAN SYSTEM

Mr. R. F. Nixon (Leader of the Opposition): I guess this is GO-Urban day again. I would like to ask the Minister of Transportation and Communications if he heard the report from West Germany, carried by CBC this morning, which indicated that the West German government was abandoning its support for the magnetic levitation Krauss-Maffei train on the basis that while it was practicable for intercity distances and speeds of up to 250 miles an hour, it was its conclusion that it was not economic nor practicable for any kind of runs on a transit, short-distance basis, and that this was the reason for its abandonment.

In view of that, why is it that we in Ontario are continuing to attempt to utilize it for these short-term runs?

Hon. J. R. Rhodes (Minister of Transportation and Communications): Mr. Speaker, I did not hear that report. However, I do have a copy of the precise statement that was made by the West German government. There is no indication in that particular statement of the words that the hon. Leader of the Opposition has used. They did state—and we knew this two weeks ago—that they were continuing with the high-speed intercity project.

Mr. R. F. Nixon: A supplementary: I would simply ask the minister if he would be interested in getting some further information for the edification of the House or for the committee, which is still meeting. Is he not aware that this was a report carried by CBC, interviewing people in the media in West Germany in response to the announcement from Ontario, which I guess was preceded by a few hours by a response from the West German government?

As a further supplementary, could the minister comment on the report that the West German government also was funding a similar experimental transit programme conducted by the Messerschmitt company, a well-known name?

Hon. Mr. Rhodes: Mr. Speaker, the high-speed project to which the hon. member is referring is what they call the Transrapid programme. The Messerschmitt company—I don't know what all the letters stand for, but MBB is the name of the firm, and M is for Messerschmitt—were working in conjunction with Krauss-Maffei and the West German government in the very beginning to develop the high-speed technology for a magnetic levitation system for travel between communities. That's the job they are doing now.

Mr. V. M. Singer (Downsview): A supplementary—

Mr. S. Lewis (Scarborough West): If I may, by way of supplementary—

Mr. Speaker: One supplementary.

Mr. Lewis: I think the minister will concede, though, both in terms of what he said in committee yesterday and in terms of what was said on the CBC this morning, that what the West German government has decided to do is to develop a technology within cities that is as equally advanced as Krauss-Maffei but much less costly and therefore more practicable. Why then, given their expertise in this matter, are we pushing ahead with the further expenditure of public funds on phase one to shore up a dying project here?

Hon. Mr. Rhodes: Mr. Speaker, I'm not aware of the other sort of technology that's being developed. Perhaps the hon. member has some information I don't have.

Mr. Lewis: Basically light rail.

Hon. Mr. Rhodes: Oh, yes—

Mr. Lewis: The Hamburg street railway.

Hon. Mr. Rhodes: Pardon me. I didn't understand the hon. member. I thought he meant another technology. Yes, this was said to us when I was in Germany. They told us at that time that they were leaving the high technology for the urban transit and they were going back to the conventional systems that they already have. In my conversation with them, my understanding was that it wasn't a matter of developing any new technology; they wanted to take the existing systems in the cities and upgrade them. They were going to do some work to make the wheels quieter on the street railways and something to cut down the pollution that is coming from the bus systems. But as for anything brand-new, no, they had not indicated that to me. In fact, on the contrary, they indicated they are withdrawing their support from two other projects they had been supporting, one called H-Bahn and the other one called Cabin-Taxi.

Mr. Singer: A supplementary, Mr. Speaker.

Mr. Speaker: A final supplementary.

Mr. Singer: Would the minister attempt to get a transcript of that radio broadcast this morning, particularly the remarks made by Alvin Schroeder, who is the CBC correspondent in Germany? If he can get that transcript, would he give us his opinion of Schroeder's reported remarks as a result of his conferences with Krauss-Maffei directors, which were along the line indicated by my leader, that the Krauss Maffei system was impractical for intracity use, in their opinion, and only useful in between-city systems?

Hon. Mr. Rhodes: Mr. Speaker, yes, I will certainly attempt to get a transcript of that. I did not hear the broadcast, but I will certainly get that and I'll be happy to make any comments that I feel I can make.

Mr. Speaker: Does the Leader of the Opposition have further questions?

SOUTH MILTON DEVELOPMENT

Mr. R. F. Nixon: I would like to ask the Minister of Housing if he would undertake to table the negotiations that Ontario Housing had with Gibson Willoughby on the appropriate costs of property in the South Milton area? We asked for this specific information yesterday, which may in fact be tabled today, and the minister indicated that more would be available. We would also like to know what fees were paid to Gibson Willoughby in connection with the acquisition of those properties in the South Milton area. Is that information available, or will the minister table it?

Hon. D. R. Irvine (Minister of Housing): Mr. Speaker, I have no reluctance whatsoever in tabling what fees Gibson Willoughby received, or any related information. My staff was told yesterday to obtain whatever information there was to be brought before the House, as I indicated I would do. I will still do this. I haven't got it this morning, by the way.

Mr. R. F. Nixon: Supplementary: Would that include the evaluation report that the minister referred to and which was used as the basis of the $6,000 an acre average payment in that area?

Hon. Mr. Irvine: It will include every bit of information regarding the transaction.

Mr. Speaker: Any further questions?

Mr. Singer: Back to square one.

Mr. R. F. Nixon: I'd like to ask the Provincial Secretary for Resources Development if the ambit of his jurisdiction includes agriculture?

Hon. A. Grossman (Provincial Secretary for Resources Development): Yes.

Mr. R. F. Nixon: Ah. Well.

Hon. Mr. Grossman: Now we are getting down my alley.

Mr. R. F. Nixon: Ah, that's a relief.

PAYOLA IN SUPERMARKETS

Mr. R. F. Nixon: I would like to ask the minister if, like me, in reading the Toronto Star yesterday, he was a bit surprised that there still seems to be a system of payola—I think that was the official word used by the Ministry of Agriculture and Food—which is used to persuade supermarket managers to give preference in placement to certain products, and that this money is paid by the middlemen in this case and is added to the cost that the consumers must pay? Has he, in fact, read the story in the Star of Nov. 14 by Ellen Roseman?

Hon. Mr. Grossman: Grossman?

Mr. R. F. Nixon: Not Grossman, it's Ellen, not Allan.

Mr. Lewis: Boy, oh boy, what the minister will do to get his name in the papers.

Mr. R. F. Nixon: The report would indicate that this system of payola, which was supposed to have been wiped out by edict of the Minister of Agriculture and Food (Mr. Stewart) some years ago, is still going on and adding tremendously to the costs of the supermarket produce, since there are built into it payments for trips, colour TV, all of the things that we were hearing about in conjunction with Ontario Housing just a few days ago.

Mr. H. Worton (Wellington South): The minister knows about agriculture but he knows nothing about payola.

Hon. Mr. Grossman: Mr. Speaker, there were two parts to that question: The first one was, was I surprised when I read it, as the hon. member says he was; and then the other minute was taken up by reading some article and asking me, in fact, did I see it? So the answer to the last part of it is, I haven't seen the article—

Mr. R. F. Nixon: I'll send it to him.

Hon. Mr. Grossman: —which also answers the first part of it, since I couldn't have been surprised at something I didn't read about.

Mr. R. F. Nixon: This is going to be one of his better days.

Mr. Lewis: It is clear why he is a policy minister now.

Mr. Speaker: Any further questions?

Mr. R. F. Nixon: Supplementary: Is the minister concerned that one of the ministries under his policy direction, which had taken strong steps to wipe out this kind of costing which accrues to the consumer, has been unsuccessful in this, and will he undertake to discuss with his minister what can be done to improve the situation?

Hon. Mr. Grossman: Mr. Speaker. if that situation does exist, of course I would be concerned.

Mr. Singer: Of course it exists. The minister is letting it exist.

Hon. Mr. Grossman: And I'm sure the Minister of Agriculture and Food would be concerned. I would be very pleased to draw this to the attention of my colleague.

Mr. Speaker: Any further questions?

Mr. R. F. Nixon: No.

Mr. Speaker: The hon. member for Scarborough West.

MERCURY POLLUTION

Mr. Lewis: Mr. Speaker, I would like to ask a question, if I could, of the Minister of the Environment. Has the Minister of the Environment made any submissions to the federal government about a joint recalculation or redetermination of the levels of mercury which can be emitted into waterways, particularly in northwestern Ontario? Is he satisfied with the present formula and is there any effort to renegotiate it?

Hon. W. Newman (Minister of the Environment): Mr. Speaker, as you know, 0.5 parts per million is the allowable acceptable level in fish. I said I would table in the House the studies which have been done, and we will have those ready next week. I was planning to meet with my federal counterpart next week. Unfortunately, I have had to cancel that meeting and we'll be arranging a future meeting with her, probably within the next three weeks, to discuss this and many other matters.

Mr. Lewis: I was under the impression, and I think it's right, that what the minister is talking about is the level of hazard, but in fact the level of mercury emission, associated as it is with the production of chlorine, is 0.005 lb of mercury per ton of chlorine, and that in fact for the Dryden Chemicals plant and other plants, what has happened is that the production of chlorine has increased from some 35 tons per day to 250 tons per day, so that ironically a formula which ties the mercury emissions to the production of chlorine means an increase in the emissions, meaning presumably a significant potential increase in health hazard. Has the government looked, therefore, at the tonnage of chlorine that is being produced and at whether or not we are inviting further problems?

Hon. W. Newman: Let me put it in perspective, going back to 1970, I believe it was, when the control orders went out to all the companies, including Dryden. There are only two companies left in the province that use mercury in their process now. Dryden is monitored on a regular basis, and there is one other company—I've just forgotten the name now, but they are monitored constantly for any mercury emissions. I think the test results I gave the House the other day indicate that the mercury levels in the fish, both in the Wabigoon and the Spanish river systems are coming down.

Mr. Lewis: Is it about the same?

Hon. W. Newman: Oh, no. If the member likes, I can give him some of the figures here. I am going to be tabling at the first of the week all of the figures, and the testing that was done by the federal people. I have it here, as a matter of fact, so it might be very interesting if I just give the members the information.

Mr. Lewis: Yes, the Wabigoon River and English River figures.

Hon. W. Newman: In regard to the Wabigoon river system I can give the following data. There was a noted improvement in the 1974 samples taken from Clay Lake, which is just down from Dryden—

Mr. J. E. Stokes (Thunder Bay): No improvement.

Hon. W. Newman: —which in 1970 had mercury levels of 9.25 parts per million in northern pike, 3.58 parts per million in whitefish and 3.83 parts per million in suckers. All species sampled had less than half the 1970 level. The pike sample averaged 4.22 parts per million, the whitefish averaged 1.26 parts per million, and the sucker was down to 1.28 parts per million. And I will have the complete data—the amount of fish that was tested, where they were tested in the various areas in the Wabigoon and Spanish river systems—to table in the House next week.

Mr. Stokes: English river system.

Hon. W. Newman: English river system, sorry, for next week.

Mr. Stokes: As a supplementary, will the minister find out and assure himself that the number of pounds of mercury going into those systems now has been reduced to conform to the ministerial order of 1970? At that time, is it not true that there were 25 lb of mercury per day being emitted on the basis of 35 tons per day of chlorine? Now that the production of chlorine has gone up to 250 tons a day, shouldn't the minister be concerned about the total amount of mercury being emitted into those river systems?

Hon. W. Newman: Mr. Speaker, as I said, by the end of 1975 none of the pulp and paper industries will be using mercury. They will be phasing out any use of mercury.

Mr. Stokes: What about now? I'm not talking about a year from now.

Hon. W. Newman: All right. At the present time there is a double-scrubbing process at the Dryden plant, and basically the maximum amount of mercury that could possibly get out of there is 0.1 oz per day. And as the member says it was up to 20 lb per day or something at one time. This is being monitored on a regular basis by our people, too.

Mr. Stokes: As a further supplementary, is the minister aware that ambient air samples taken by the federal authorities, or maybe even by his own ministry, indicate that there is still a high level of mercury in the ambient air as a result of that process? Shouldn't the government be looking at the total amount of mercury being released per day into that system?

Hon. W. Newman: If there is an emission problem, certainly our people will be monitoring it. I'll look into that particular aspect of it, but any that is getting into the water system from any of those plants, if there is any, is being constantly monitored by our people. that's one of the reasons for our reorganization of the ministry—decentralization, so that we would have staff in those areas, so we could deal directly with those problems on a very regular basis.

Mr. Speaker: Any further questions by the member for Scarborough West?

Mr. J. F. Foulds (Port Arthur): Supplementary.

Mr. Speaker: A final supplementary then.

Mr. Foulds: Could the minister, when he tables the figures next week on northwestern Ontario, also table figures on Thunder Bay harbour in terms of mercury content in the fish?

Mr. Stokes: Particularly lake trout.

Hon. W. Newman: What I may say is that the testing in the St. Clair river system has been done by our people and most of the testing is done in the Wabigoon-English river system—

Mr. Foulds: I am talking about Thunder Bay.

Hon. W. Newman: All right. I am just saying that in that area—and I am not exactly sure what testing is being done—whatever figures I have we will give them to the member. They are massive. A lot of them are on IBM cards. We have had to interpret them so that the members would understand them. We hope to have those ready by Mon-

day or Tuesday. I said I would make them available and I will at that time.

Mr. Speaker: Any further questions?

REPORT ON ELECTION EXPENSES

Mr. Lewis: Yes. May I ask the Premier, Mr. Speaker, if he can undertake that there will be an election expenses control Act, or whatever it may ultimately be called, put through the Legislature following whatever report the Camp commission may make this session or in the spring session perhaps or whatever session presumably preceding the next provincial election in Ontario?

Hon. W. G. Davis (Premier): Mr. Speaker, I think I have already given that undertaking.

Mr. Lewis: By way of supplementary, does he know when we will get the next Camp commission report dealing with election financing?

Hon. Mr. Davis: I don't know any specific date yet, Mr. Speaker. The last information I had was a few days ago. I would think sometime within the next two weeks. I think probably we will all want to consider that report. Whether it will be possible to legislate it before we adjourn before Christmas, I can't give that undertaking although it may be possible. Certainly I think I have said before that we intend to have this legislated—whatever it's called and so on, I don't know—prior to any general election.

Mr. R. F. Nixon: Supplementary, Mr. Speaker: The Premier does not have the report; is that right?

Hon. Mr. Davis: No, I do not have the report. The report, if memory serves me correctly again, goes to you, Mr. Speaker, because the commission reports to the House. I think the procedure was that the Speaker actually tabled the two previous reports, and I expect the procedure will be the same on this occasion.

Mr. M. Cassidy (Ottawa Centre): Supplementary, Mr. Speaker.

Mr. Speaker: A final supplementary on this.

Mr. Cassidy: I think this probably is relevant. In view of the extraordinary difficulties that were experienced with the administration of the election in the Carleton East by-election, would the Premier undertake to have the government look into these problems and ensure that they will not happen in the 1975 provincial election.

Mr. Speaker: That's not really a supplementary to this original question.

Hon. Mr. Davis: I don't think it is supplementary but I will answer anyway with your permission, Mr. Speaker. That question had been already asked by one of the member's colleagues. I think I indicated on that occasion at least that it related to the use of the voters' lists. I recall the chief electoral officer sort of nodding his head in agreement as it relates to the difficulties and the need to find some way to resolve them.

WHITCHURCH-STOUFFVILLE LANDFILL SITE

Mr. Lewis: I have a question of the Minister of the Environment: Is it true that the Whitchurch-Stouffville landfill site is operating at the moment without any certificate of approval or any provisional certificate of approval?

Hon. W. Newman: I did put a control order on them and I think they are operating within the confines of the EP Act, as far as I know. Is the member talking about the new application that is being heard at this point in time?

Mr. Lewis: There is a new application being heard, I gather, yes.

Hon. W. Newman: Yes, at this point in time there is.

Mr. Lewis: But is the allegation incorrect that the use of the dump and the expansion of the dump are proceeding without any certificate of approval whatsoever? I don't understand how that can happen.

Hon. W. Newman: No, there will be no expansion of the site. I don't know if the member has been up to the site but there is a certain part of the site that has been operating there for years and years.

Mr. D. M. Deacon (York Centre): The old Bremner dump.

Hon. W. Newman: The old Bremner dump, that's right. To expand it, there has to be a hearing and this is what the hearing is about. I think they have over 100 or 120 acres or something and they have made a further application for that. That's what the present hearing is all about.

Mr. Lewis: Going back, if memory serves me, the ministerial order granted an initial provisional certificate of approval which ran out and then there was no further certificate

of approval, provisional or formal, subsequently granted while this site continues to operate. How is that possible, given all of the requests that have been made to the ministry by the council, by citizens' groups and by almost everyone else in the area to have it closed down because it's operating illegally, in addition to the request made to the Attorney General (Mr. Welch) to uphold the laws because of this ministry's refusal to? Why won't the minister move on this dump?

Hon. W. Newman: Just a minute, we have talked about the control order and I explained that during question time in the House the other day. If the member wants me to go into that control order that I put on and explain it all again to him today, I will be only too glad to. The only part of my control order which he asked the Attorney General about was the tonnage of garbage that was going into that particular site. I pointed out when the control order went on last May or last June—I have forgotten the exact date—the only part of the control order that was not carried out was the putting in of the weigh scales. They had ordered the scales but the scales were not in. Various people estimated various tonnages going in there but we kept a pretty close tab on it as much as we could. I understand the scales are in and operating at this point in time. At the present time, I believe the hearing is still going on. I think it has been adjourned for a few days but I understand it will be going back on again. It's quite an extensive hearing dealing with the whole site at this point in time.

Mr. Speaker: Any further questions? The member for Beaches-Woodbine.

COMMODITY FUTURES MARKET

Mr. T. A. Wardle (Beaches-Woodbine): Mr. Speaker, a question of the Chairman of the Management Board. In view of the increasing cost of sugar and other commodities, especially food products, could the government take action to control the commodities futures market on these and other products?

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Mr. Speaker, I suppose from a policy point of view that question would more properly be directed to the Treasurer (Mr. White), but in his absence I would just say to you that from my understanding, if there were to be any control of the situation it would be at the federal level. To the best of my knowledge, a monitoring scheme would be about as far as the government could go—or licensing possibly. But I do believe, Mr. Speaker—and again I speak from my own point of view—that the profits in commodity futures should be taxed at a much greater rate than the ordinary rate of income tax.

Hon. Mr. Grossman: Oh, don't do that to the member for High Park (Mr. Shulman).

Mr. R. F. Nixon: A supplementary: Since the trading in commodity futures has evidently been one of the means whereby the cost to farmers has been increased because of the profiteering on feed, such as soya beans and barley, and it has shown up in the increased costs at the consumer level for the same reason, would not the minister think that rather than just taxing those profits it would be better to control them so that they are not going to be extracted from the system in the first place?

Hon. Mr. Winkler: Yes, Mr. Speaker, I think there is great merit in what the Leader of the Opposition has stated. As a matter of fact I have even thought that governments could enter into that particular market themselves for that protection.

Mr. J. R. Breithaupt (Kitchener): The member for High Park can give the government some advice on that.

Mr. Speaker: The member for York Centre.

RAIL SERVICE CO-ORDINATION

Mr. Deacon: A question of the Minister of Transportation and Communications. Some months ago the minister indicated he would meet with federal government transportation authorities, particularly the federal Minister of Transport, with regard to co-ordination of transit services in this area and the federal government's rail services to see if integration of schedules and fares could be developed. What progress could the minister report in connection with talks during these intervening several months?

Hon. Mr. Rhodes: Mr. Speaker, I found it rather difficult to be able to meet with the Minister of Transport. He was otherwise engaged in a rather important event that took place in mid-summer.

Mr. Deacon: That's a few months ago.

Hon. Mr. Rhodes: Yes. I have met with him though. On Oct. 30 I met the minister. We had preliminary discussions on that subject among others, including the national

transportation policy. The minister has asked that I meet with him again for at least a day, possibly two days, to take all of these matters into consideration in some depth as to how Ontario and the federal government can co-operate in the national policy that the Minister of Transport says he wants to see in effect.

Mr. Deacon: A supplementary: In view of the problems that the GO-Transit has been having in improving scheduling because of the control of the rights of way by the railways, will the minister urge that there be a change in the control of these rights of way so that improvements that are made to them are to the benefit of all rail service, especially passenger, and so that we can update to modern day technology this system that is already available, but still back in the dark ages as far as the operation of GO Transit down on the Lakeshore is concerned.

Hon. Mr. Rhodes: Mr. Speaker, I have already discussed that matter of the right of way with the minister in very brief terms, but I have generally laid the idea before him. I might say to the hon. member that I gave him full credit for the idea.

We will be discussing the possibility of the right of way coming into the public domain and owned by the federal government, and I would appreciate any assistance the hon. member might give me in that matter.

Mr. Deacon: I am with the minister all the way.

Mr. Speaker: The hon. member for Thunder Bay.

OFFICIAL GEMSTONE FOR PROVINCE

Mr. Stokes: Mr. Speaker, I have a question of the Premier. Now that the Premier has had an opportunity to discuss with his colleagues and to view for himself the beauty of the amethyst, is there any thought to acceding to the wishes of a great many people in northern Ontario, particularly in the Thunder Bay area, to designate the amethyst as the official gemstone of the province?

Hon. Mr. Davis: Mr. Speaker. I understand the hon. member's interest in this. The member for Fort William (Mr. Jessiman) has been interested in this for a period of time. It is being considered by the resource policy field at this moment.

Mr. R. F. Nixon: So that is what he does.

Hon. Mr. Davis: I can't tell the hon. member just what the recommendations will be. I can only say that personally I see no reason why Ontario should not have—

Mr. Lewis: So the Premier doesn't like amethysts?

Hon. Mr. Davis: —some form of mineral, or what have you, as the official one of the province.

Mr. Lewis: The Premier is a rare gem himself.

Hon. Mr. Davis: There may be some arguments as to which one it should be, but certainly the amethyst is one that I think is worthy of consideration and it is being considered.

Mr. Foulds: A supplementary, Mr. Speaker: What's taking so long over this very important decision? The Premier's answer this morning—

Mr. R. F. Nixon: His policy committee is grinding it fine.

Mr. Foulds: —is exactly the same as the answer that he wrote to me, and the Minister of Natural Resources (Mr. Bernier) wrote to me, over a year ago.

Hon. Mr. Davis: Mr. Speaker, I know the hon. member realizes just how important this is, and that it really requires very careful consideration—

Mr. R. F. Nixon: They tried to find a blue stone.

Mr. Stokes: A whole new industry.

Hon. Mr. Davis: —and he certainly wouldn't want us to move into this without that careful consideration which it is receiving.

Mr. Lewis: No, no, the Premier is treating this as he treats every issue in Ontario—haltingly, lethargically, sloppily.

Mr. Stokes: There's a whole new industry there for him.

Mr. Singer: Perhaps Krauss-Maffei could advise him. They're free these days.

Mr. Speaker: The Leader of the Opposition.

OHC BRIBE CHARGES

Mr. R. F. Nixon: I'd like to ask a question of the Premier arising out of the debates in the Housing estimates over the last two or three days: Is he not concerned, particularly

with the facts that have been brought forward by myself and others, as to the business procedure in Ontario Housing which has led it to pay extravagantly overpriced amounts for properties in various parts of the province? Is he not further concerned with the evidence —which is regrettable certainly—that a number of officials in Ontario Housing have been indicted on charges of taking bribes, and that neither the officials of Ontario Housing nor the Attorney General's department have made public those people who offered the bribes?

Would he not now feel, since this particular agency of government is going to expend more and more of the tax funds available directly to our Treasury and from federal sources, that it should be subject to an inquiry of a broad and public nature so that the confidence of the people in the conduct of Ontario Housing, and its business procedures and administration, can be restored?

Hon. Mr. Davis: Mr. Speaker, I think there were three or four questions there. I shall try to deal with them.

Mr. R. F. Nixon: Basically, it was this: Will the Premier order a public inquiry?

Hon. Mr. Davis: Basically, the answer to that is no, and if that answers all of the other questions then, Mr. Speaker, I am content.

Mr. Renwick: Mr. Speaker, by way of a supplementary question, will the Premier give consideration to the problem involved in charging the persons who are alleged to have received the bribes and not charging the people who offered the bribes?

Hon. Mr. Davis: Mr. Speaker, I think that question should properly be put to the Attorney General. I don't think that has, in fact, been determined, and I would suggest the hon. member put that question to the Attorney General.

Mr. Renwick: Perhaps I may be allowed to direct that question to the Attorney General?

Mr. Speaker: The member for Riverdale will have his turn in a moment.

Mr. Lewis: May I ask, as a supplementary, is the Premier not concerned that a very major land acquisition purchase was made, involving a large amount of public money, for which there was no specific or definitive appraisal at all carried out by the Ontario Housing Corp.? How can he allow a major corporation of his government to behave in that fashion with public funds?

Hon. Mr. Davis: Mr. Speaker, as I said to the Leader of the Opposition, I thought there were four questions. He then said to me there was only one and that is whether we were going to have an inquiry, and I said no. If the leader of the New Democratic Party is asking whether I'm concerned about two or three of the things that apparently were not part of the question raised by the Leader of the Opposition, the answer to that is yes.

Mr. Singer: What is the Premier going to do about it?

Mr. R. F. Nixon: Then why doesn't the government have a public inquiry?

Hon. Mr. Davis: I said we would not have a public inquiry.

Mr. Lewis: How is the Premier responding to the apparent abuse of public funds in a fashion which is unaccountable on the part of the Ontario Housing Corp.? Surely he can't countenance that kind of procedure on the part of any public corporation, and how will he bring the Ontario Housing Corp. to its senses?

Hon. Mr. Davis: Mr. Speaker, I have complete confidence in the capacity of the Minister of Housing to administer the Ontario Housing Corp. in a proper sense. It is not my intent here, this morning, to reopen the discussions that have taken place over the past two or three days.

Mr. Foulds: Bring it under public control.

Hon. Mr. Davis: We're concerned that any agency of government functions properly and efficiently and honestly, and I am quite confident of the capacity of the minister to deal with it. I certainly am concerned if there have been prices paid that are higher than market value, although I say with respect, Mr. Speaker, that is always a question of judgement, not that easily defined, and I would say with respect that some of the information—

Mr. Lewis: Right, one would like to see the judgement.

Mr. Singer: The Premier can find it in the registry office. It was there.

Mr. Speaker: Order, please.

Hon. Mr. Davis: Mr. Speaker, if the member for Downsview is asking a question, he has sufficient knowledge as it relates to the land market—perhaps more so than some—and, with great respect, the information from

a registry office does not always totally reflect market value at the time the land is purchased, and he knows it very well.

Mr. Lewis: But what about an evaluation?

Mr. R. F. Nixon: Supplementary: Surely if the Premier is concerned that OHC may have paid more than was proper for these properties he should be equally concerned that OHC made the payments without a proper evaluation? None has been available from the minister and it is a clear indication that these lands are being purchased without them.

Mr. Speaker: Is that a question?

Mr. R. F. Nixon: If he is concerned about that why does he not have an inquiry, rather than just say he trusts the minister? I think the minister is a fine man. Is the Premier not aware that this is the third fine minister he's had in a year having to do with this responsibility?

Mr. Lewis: It is about the sixth he has had in 18 months.

Mr. Speaker: Order please.

Hon. Mr. Davis: Mr. Speaker, I'm aware that there have been two or three Ministers of Housing. I am also, as I said before, confident that the Minister of Housing has the capacity to deal with any internal administrative situations within the corporation.

Mr. R. F. Nixon: We will see about a month from now.

Hon. Mr. Davis: That is fine, we will see about a month from now. I will only say to the Leader of the Opposition that certain land purchases are made with 90 per cent funding from Central Mortgage and Housing Corp., which, too, obviously has some responsibility and which on this occasion must have been satisfied with the purchase price being paid.

Mr. Cassidy: That is a cop-out.

Hon. Mr. Davis: I think when you are having 90 per cent of the funding coming from the federal source that they too must have been content, in a relative sense, with the amount of money.

Mr. Lewis: They take this government's judgement, and so they should.

Mr. Breithaupt: We just bill them.

Mr. R. F. Nixon: Does the Premier expect them to have a royal commission inquiry into Ontario Housing?

Hon. Mr. Davis: Why don't they inquire into their own operations?

Mr. R. F. Nixon: Why doesn't the Premier look into this and set his own house in order?

Mr. Speaker: This will be the final supplementry, Order please.

Mr. I. Deans (Wentworth): Supplementary: Is it the intention of the government to eliminate OHC in its present form as a Crown corporation and make it simply a part of the Ministry of Housing?

Hon. Mr. Davis: No, Mr. Speaker, it is not the intent.

Mr. Speaker: The member for Yorkview.

SALES TAX ON VENDING MACHINE GOODS

Mr. F. Young (Yorkview): Mr. Speaker, a question of the Premier: In view of the fact that inflation has forced up the price of many small articles, such as soft drinks and candy bars sold through vending machines in this province, resulting in a great deal of frustration in bookkeeping and inspection, all those sort of things—the prices have to go perhaps higher than they should because of the fact that these are now coming into the taxable category—is the government giving any consideration to raising the floor of the retail sales tax to the place where it would correspond with the original price considering inflation?

Hon. Mr. Davis: Mr. Speaker, this hasn't been brought to my attention. As I understand the question from the hon. member, he is referring to chocolate bars and so on that are sold through vending machines, and because of the use of the machine the price may be such that there would be tax payable, which would complicate the use of the vending machine etc. Mr. Speaker, I'd be quite prepared to discuss this with both the Minister of Consumer and Commercial Relations (Mr. Clement) and the Treasurer to see if there is any way to resolve it. Quite frankly, I don't know at this moment, but I think it is worth looking into.

Mr. Speaker: The hon. member for Nickel Belt.

MEETINGS RE NORTHERN COMMUNITIES ACT

Mr. F. Laughren (Nickel Belt): Thank you, Mr. Speaker. A question of the Premier: In view of the content of the Throne Speech last spring and of the promise of the present Minister of Housing when he was Minister without Portfolio, that before Bill 102, the Northern Communities Act, was debated in this chamber public meetings would be held in the small communities across northern Ontario, and that none have yet been held; and in view of the fact that the expectations of the people in those communities have risen as a result of the pronouncements in the Throne Speech and by the minister, would the Premier ensure that those meetings are held and that a member of his declining caucus—not the member for Timiskaming (Mr. Havrot)—is appointed to look after that bill and to shepherd it through not only the communities of the north but also through this chamber?

Hon. Mr. Davis: Mr. Speaker, we are obviously quite interested in moving ahead with this policy that the people in the northern part of the province—and our feeling is that they are enthusiastic about it—be involved in the discussions, and I think this can be accommodated. The hon. member made reference to the slight decline in the total numbers of our caucus. We still have people available, and I would say that while we've had a decline in total numbers, in terms of quality I would match this caucus against the other two any day of the week.

Mr. Lewis: Oh yes, could we have a little applause for that please?

Mr. Speaker: A question from the Liberal Party.

Mr. Laughren: Supplementary, Mr. Speaker.

Mr. Speaker: One supplementary.

Mr. Laughren: Is the Premier intending to appoint someone of a cabinet stature within his caucus to look after that bill and to carry out the promises of the former cabinet member?

Mr. Lewis: Of course, that assumes he has someone of stature to appoint.

Hon. Mr. Davis: Mr. Speaker, I think it is obvious—the hon. member must know this—that every member of this caucus is of cabinet stature.

Mr. Laughren: No, I have not noticed that.

Mr. Speaker: The hon. Leader of the Opposition.

HALDIMAND-NORFOLK FARMERS' TAX BILLS

Mr. R. F. Nixon: I have a question of the Minister of Housing. Is he aware of the problems faced by the farmers in the former Townsend area of Haldimand-Norfolk whose land was purchased in a large parcel, which we are told is for the purpose of a new town? They have leased back this property for farming purposes, but the taxation bills have gone from the regional government to the owner of the property—that is, the government of Ontario—and the farmers have not received those tax bills back. It is their responsibility to pay the taxes and as of today, Nov. 15, a penalty of one per cent a month is chargeable.

Is the minister responsible for those tax bills? And who is holding them and delaying their transference back to the farmers, who must pay the amounts in the long run?

Hon. Mr. Irvine: Mr. Speaker, I don't believe I am responsible for those tax bills. I'll look into the matter brought forward by the hon. Leader of the Opposition, I think it would come under the Treasurer and Minister of Economics and Intergovernmental Affairs, but I will investigate in his absence and report.

Mr. R. F. Nixon: A supplementary: Since the farmers are concerned about the penalty, would the minister undertake that in the event a penalty is charged, the farmers won't have to pay it but that either Housing, Treasury or some other emanation of government will see that that extra charge does not lie on the farmers themselves?

Hon. Mr. Irvine: Well, Mr. Speaker, what I will do is investigate the whole matter and report. I am not aware of what the hon. member has brought forward; until I am, I won't make any further comment.

Mr. Speaker: The hon. member for Wentworth.

OBLIGATIONS OF HOME BUILDER

Mr. Deans: Thank you, Mr. Speaker. I have a question of the Minister of Housing too.

Will the minister take some action to ensure that the residents who signed the peti-

tion which was sent to his office, bringing to his attention that Claren Homes, currently one of the builders in the new HOME programme, have not fulfilled their obligations to those purchasers by repairing and putting into proper order the houses that they built in the last programme? Will he insist that Claren make good their commitments to those who purchased in the previous programme last year before they are permitted to build any further homes under the HOME programme?

Hon. Mr. Irvine: Mr. Speaker, I have asked our staff to investigate the matter fully and if there are any problems which are OHC problems, they will be fulfilled and corrected. We will look into the matter immediately. I know of the problem; it has been brought to my attention.

Mr. Deans: Well, just one supplementary question. Doesn't the minister feel it would be very useful if he could prod his colleague, the Minister of Consumer and Commercial Relations to get a house warranty so that those people would be protected?

Hon. Mr. Irvine: Mr. Speaker, I'm sure that matter is under consideration by my colleague—

Mr. Deans: It has been for a year and a half.

Hon. Mr. Irvine: —and it has been for some while by previous ministers. I expect that legislation may be brought forth to correct any deficiencies in the legislation.

Mr. E. W. Martel (Sudbury East): Hope springs eternal.

Mr. Cassidy: That's right. If they look at it long enough, it will go to the next Conservative.

Mr. Speaker: The member for St. George.

CONDOMINIUM PROJECTS

Mrs. M. Campbell (St. George): Thank you, Mr. Speaker. My question is of the Minister of Housing. In the role of OHC in condominium projects and in its relationship to development of that type of project, why does OHC itself not move to ensure there are no debits or deficiencies when the homeowner takes over?

Hon. Mr. Irvine: Mr. Speaker, I am not aware of any specific deficiencies in the condominiums. If the member would bring these to my attention, I will look into the matter for her.

Mrs. Campbell: A supplementary, Mr. Speaker, if I may.

Mr. Speaker: One supplementary.

Mrs. Campbell: When we have the situation where we have the directorate, with OHC in essence as a part of the developer directorate and with control over it, when OHC sends into the homeowners' association a member of OHC to tell the homeowners that it is the policy of OHC that the homeowners will not be required to take over deficiencies why does OHC not ensure that there are no deficiencies at the time of takeover? And there are deficiencies.

Hon. Mr. Irvine: Mr. Speaker, I think it depends on who is responsible for those deficiencies. If it's OHC's responsibility, I'll look into the matter. It may not be OHC's responsibility; it may be that of the one who built the particular building in question. Now, if the member can give me specific facts, I would be delighted to receive them; I'll look into the matter and report to you.

Mr. Speaker: The member for Sudbury East.

SPECIAL ASSISTANCE TO MUNICIPALITIES

Mr. Martel: A question of the Minister of Community and Social Services: Has the ministry entered into agreements with some municipalities to fund special assistance to the province's 30 per cent of the cost over and above the 50 that the federal government is paying?

Hon. R. Brunelle (Minister of Community and Social Services): The question is not too clear, Mr. Speaker. Is the question if we are funding special assistance to a higher percentage than we are now?

Mr. Martel: The government is not funding at all now. I am asking if the ministry has reached agreements with certain municipalities to fund it to 30 per cent?

Hon. Mr. Brunelle: There has been no change in the funding under special assistance, Mr. Speaker.

Mr. Speaker: The member for Windsor-Walkerville.

WINDSOR TEACHERS' DISPUTE

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, I have a question of the Minister of Education. Does the minister plan to get personally involved in the dispute between the Ontario Secondary School Teachers' Federation and the Windsor Board of Education in an attempt to avert the walkout on Monday?

Hon. T. L. Wells (Minister of Education): Mr. Speaker, I have been personally involved in that particular matter and I stand ready to be of assistance to either side if they think we can be of some help.

Mr. Speaker: The member for Sudbury.

YOUNG TRAVELLERS PROGRAMME

Mr. M. C. Germa (Sudbury): Mr. Speaker, a question of the Minister of Education: Could I ask the Minister of Education if he has under consideration the expansion of the Ontario Young Travellers Programme into the secondary school level?

Hon. Mr. Wells: The answer to that, Mr. Speaker, is no, I don't.

Mr. Speaker: The member for Essex-Kent.

DISTILLERY WORKERS' STRIKE

Mr. R. F. Ruston (Essex-Kent): Mr. Speaker, a question of the Minister of Labour: Due to the length of time of the strike now at Hiram Walker, which is tying up production and also the grain traffic, has the minister any solutions as to what is going to happen, and has he been dealing with the strike? Is it under mediation at this time, or are the two parties still apart?

Hon. J. P. MacBeth (Minister of Labour): Mr. Speaker, it is still under mediation. They go between periods when they want to talk with us and periods when they want to talk between themselves, but it is still under the eye of my people. It is a difficult one. We haven't made much progress but we are not giving up.

Hon. Mr. Grossman: The situation is still liquid.

Mr. Speaker: The member for Port Arthur.

USE OF OIL IN HYDRO VEGETATION CONTROL

Mr. Foulds: Thank you, Mr. Speaker. A question of the Minister of Energy: Does the minister know how much oil Ontario Hydro has used in the past year in its vegetation control programme, and does he know if Ontario Hydro has been successful in phasing out the large amounts of oil it was using in its vegetation control programme, in view of a statement by George Gathercole on Dec. 11, 1973?

Hon. W. D. McKeough (Minister of Energy): No. Mr. Speaker.

Mr. Foulds: Could the minister get the information and supply it to the House?

Hon. Mr. McKeough: Yes, Mr. Speaker.

Mr. Speaker: The question period has expired.

Petitions.

Presenting reports.

Motions.

Introduction of bills. The member for Scarborough West.

CONDOMINIUM ACT

Mr. Lewis moves first reading of bill intituled An Act to amend the Condominium Act.

Motion agreed to; first reading of the bill.

Mr. Lewis: Mr. Speaker, the purpose of the bill is to ensure that no presently occupied building is converted into condominium units without the approval of the municipality in which the building is located. It requires an open public hearing before such conversion takes place and sets out a series of conditions which must be fulfilled or honoured before conversion can occur.

Mr. Speaker: The member for Cochrane North.

MINISTRY OF COMMUNITY AND SOCIAL SERVICES ACT

Hon. Mr. Brunelle moves first reading of bill intituled, An Act to amend the Ministry of Community and Social Services Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Brunelle: Mr. Speaker, the main provision of this bill is to transfer the estab-

lishing authority from the existing family benefits board of review from the Family Benefits Act into this Act. The new board is to be called the Social Assistance Board of Review.

GENERAL WELFARE ASSISTANCE ACT

Hon. Mr. Brunelle moves first reading of bill intituled, An Act to amend the General Welfare Assistance Act.

Motion agreed to; first reading of bill.

Hon. Mr. Brunelle: Mr. Speaker, the amendments correspond to change in the Ministry of Community and Social Services Act whereby the board of review is transferred to and continued under the Act as the Social Assistance Board of Review.

VOCATIONAL REHABILITATION SERVICES ACT

Hon. Mr. Brunelle moves first reading of bill intituled, An Act to amend the Vocational Rehabilitation Services Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Brunelle: Mr. Speaker, the amendments correspond to changes in the Ministry of Community and Social Services Act whereby the board of review is transferred to and continued under the Act as the Social Assistance Board of Review.

FAMILY BENEFITS ACT

Hon. Mr. Brunelle moves first reading of bill intituled, An Act to amend the Family Benefits Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Brunelle: Mr. Speaker, in this bill the amendments correspond to changes in the Ministry of Community and Social Services Act whereby the board of review is transferred to and continued under that Act as the Social Assistance Board of Review.

Mr. Speaker: Orders of the day.

HUMAN RIGHTS CODE ACT

Hon. Mr. MacBeth moves second reading of Bill 9, An Act to amend the Ontario Human Rights Code.

Mr. Speaker: The member for Kitchener.

Mr. J. R. Breithaupt (Kitchener): Mr. Speaker, in reviewing this bill, it would appear that the changes that have been set out have some minor amendments which we hope will benefit and make somewhat more clear the legislation that is before us. It is interesting to note that housing accommodation is now going to be able to be restricted to the same sex, except in the case of the owner or his family, and the earlier prohibitions against discrimination for housing accommodation with respect to race, colour, nationality or place of origin are being maintained.

The one interesting thing that I had noted in section 3, which deals with section 7(a), concerns the matter of removing that involvement from the Ontario women's bureau whereby the enforcement provisions had been part of their jurisdiction. Since the Ontario Human Rights Commission is now going to have this jurisdiction, I am wondering if it is the intention to transfer staff from the bureau to the Human Rights Commission or if we will, in fact, have any net savings of persons who are involved in dealing with this particular area.

I think it's worthwhile, as section 4 sets out, that the inquiry powers do become somewhat less formal than they have been in the past. The investigation of a complaint in the past has perhaps caused more harshness than should be occasioned. I would think that the settlement of it, rather than dealing with it under the Public Inquiries Act, is going to be beneficial to the parties who are involved. Of course, the minister must have some way of dealing with this kind of problem if it is not settled. Accordingly, the board of inquiry which can be set up under the minister's jurisdiction seems to be a useful way in order to give a second or a full hearing to the matter if the matter cannot be settled.

There are reasonable safeguards which do occur in this bill. I think that the matter of giving receipt for documents copied and the prompt return of original documents in such matters are certainly worthwhile. I noted from the Leader of the Opposition (Mr. R. F. Nixon) that there is going to be an amendment which the minister is going to move in committee with respect to dealing with the matters of pension funds or plans and insurance plans, which are exempted again due to the matter of age, sex or marital status. I would hope that the minister, perhaps in responding to the opening remarks which will be made on this bill, will give an explanation concerning that amendment so that it would appear on the record at this

point, at which time I think the various amendments to the bill will no doubt be rather promptly dealt with.

We will support the bill, Mr. Speaker.

Mr. Speaker: Are there any other members wishing to speak to this bill? The member for Riverdale.

Mr. J. A. Renwick (Riverdale): Yes, Mr. Speaker, there is a clouded view here this morning. I would like to take perhaps a minor liberty in speaking on the minister's bill to amend the Human Rights Code. It deals with three or four items. It would be our request that the bill go into committee of the whole House so that at the appropriate time we could deal in a rather more informal manner with the specifics of each of these amendments to get some clear understanding about it, rather than by way of formal debate.

I would, however, perhaps with a little bit of indulgence from the Chair and from the minister, like to ask the minister whether or not it is now not time to look at the Ontario Human Rights Code with respect to the methods of enforcement which are available, the procedures which are followed, the background of tradition and authority which has been established by that commission to see whether or not there should not be changes in the way in which we approach the whole question of discrimination in its very broad aspects.

I am moved to make these comments simply because I had an opportunity when I was in England recently to pick up and look at the white paper of the government of Great Britain which was issued in September of this year, dealing with equality for women. In the course of that white paper they make some very specific comments about the strategy which they propose to follow in a bill which will undoubtedly be introduced during the course of the present Parliament in Great Britain. What they were really saying is that they felt that not to have a public body—in our case the Human Rights Commission and in their case a body to be established called the Equal Opportunities Commission—at all and simply leave the matter of protection of individual rights to individual procedures in the courts or before other tribunals would not be a wise procedure.

On the other hand, they said that they felt with their experience—and their experience relates not only to a relatively long period in the application of non-discriminatory legislation, but to the work of a couple of select committees, some very expert studies which have been made in the various fields of discrimination—that one should move away from total reliance upon a body such as the Human Rights Commission in carrying out the functions of ensuring the enforcibility of non-discriminatory provisions of the law.

If I may, having said that briefly, I will quote the one paragraph in the report, which has this to say for these reasons, and I have synopsized my version of their reasons: The government proposes to combine the right of individual access to legal redress with the strategic functions of a new public body. The name of the body is the Equal Opportunities Commission and it will have a major role in enforcing the law in the public interest. Although it will be able to represent individuals in suitable and significant cases, its main task will be a wider policy to identify and deal with discriminatory practices. It will be empowered to issue non-discrimination notices which could, if breached, be enforced through civil courts and to follow up court and tribunal proceedings. It will also be able to conduct general inquiries and research, to advise the government and to take action to educate and persuade public opinion. The commission will have adequate powers to require the production of relevant information.

My only point is to suggest to the minister that perhaps at some point he would have a look at that white paper to see whether or not there are some comments in it of relevance and interest to the ongoing work of the Ontario Human Rights Commission, with a view to seeing whether there is not too much emphasis and reliance upon the individual coming forward and instituting a complaint, and whether there are other methods by which the non-discriminatory provisions of the law could be more adequately enforced.

I would ask that the minister put the bill into committee of the whole House so we could deal with the specific amendments.

Mr. Speaker: Does any other hon. member wish to speak to this bill?

The hon. member for Ottawa Centre.

Mr. M. Cassidy (Ottawa Centre): Mr. Speaker, in one of the sections related to the bill there is a very serious omission, and I would like to raise it with the minister now, even though I am not convinced that the Human Rights Code is necessarily the best means to handle this particular problem.

When the Human Rights Code was brought down it originally contained, much to my amazement, no restrictions as to discrimination by sex in housing in the Province of Ontario. That omission was repaired in the

amendments to the bill which were passed in June, 1972—I think it was June, 1972. So one cannot discriminate against a person in the provision of housing because of the person's sex, with the exception of roomers or lodgers in a small household, which is covered in the bill before us today.

However, Mr. Speaker, it remains possible for people to discriminate in housing on the basis of age. In certain cases that may not be a real problem. The bill doesn't refer to the problems that older people may have in getting accommodation, but to my knowledge older people generally make reasonable tenants and are normally discriminated against on economic grounds—that is, they can't afford accommodation—but not on the grounds of their age. However, children are definitely discriminated against in this province. Families with children are discriminated against in this province. And that is something which the Ontario government has never seen fit to take action about.

It's a very curious and interesting situation that in the provision of housing it is against the law, and rightly so, to discriminate against people who are of different races or nationalities and who may have customs and lifestyles quite different from those of their landlord—if it's a situation where the landlord lives on the premises—but the very large group of children in the province can simply be excluded by landlords.

In the situation we have today, where there is a very tight housing market in the city of Toronto, for example, with low vacancy rates, the situation that results is pretty predictable. Families with children are economically less able to survive in the rental accommodation market. Often the wife, or one of the spouses, is unable to work or is working only part-time because of the need to be at home with the kids. The family, if the children are young, may need to have babysitters or may need to pay for day care and, therefore, has less money available for housing. Because of the needs of children, that family needs more space than an adult couple of the same age and general situation in income. Families with kids, basically, need more space but can afford to pay less for it than other people in our society and they, therefore, are in a position where they are already vulnerable. I would suggest, Mr. Speaker, that they become more vulnerable because of the fact that they can be discriminated against under Ontario law, and there is no sanction to prevent it.

In my riding of Ottawa Centre, there are currently condominiums for sale at a price which looks pretty exorbitant, until you see what's for sale in the suburbs. The advertisements for this building state specifically that the building is directed to discriminating adults. When you ask them specifically what that means, you find out that children under the age of 16 are not permitted. I don't exactly know what they intend to do if any of the families of people who move into there happen by luck or intention or mischance to have a baby. Nevertheless, it's a bizarre situation where people who are actually purchasing a condominium unit are knocked out or are unable to buy that condominium if they happen to have children.

Also, in my riding, which is a downtown area which has been losing families at a very rapid rate, I think three out of five apartment buildings that we looked at in that area also discriminate against people with children. They will either not permit them or else they will permit them only under very selective circumstances, which certainly don't apply in the same way to adult tenants coming and seeking to rent. With adults, they simply look at their cheque book, their bank balance and their credit rating. If they're okay and they're not in barefeet, then they give them the apartment if one is available. If there is a child or children concerned, they look at the age of the children and look at the space. They may look at school records, psychiatric records and God knows what. Then, if the child can pass through the eye of a needle he may or may not, or she may or may not be accepted with the family.

In downtown areas, such as my area of Ottawa Centre, the effect is that since the new housing accommodations are basically in the form of rental and condominium accommodation, you simply drive away families that might wish to live in the downtown area because they simply can't get accommodation. They're driven out to the suburbs, regardless of the fact that in certain circumstances a downtown location may be the most desirable for them. That's a particular problem of a downtown riding.

In more general terms, however, if a substantial proportion of the condominiums and apartment units available in a city like Toronto is barred to people, by reason of the fact that they have children, then their vulnerability is thereby increased and the ability of the remaining landlords to rip off those families by charging them higher rents is thereby increased. Their ability to benefit from what competition there is in the rental market is decreased if a certain significant number of units is closed off to them.

The problem, Mr. Speaker, is that this discrimination against families is increasing and will continue to increase so long as we continue to have a tight housing market and, dare I say it, so long as the demographics of our society continue in the present direction where families with children are becoming less and less the predominant social grouping. As people have fewer kids, as more people choose not to have children, as more couples don't have kids, then their kind of demand on landlords where they say, "We don't want those brats in the elevators," or words to that effect, will have more and more of an effect and you will see created more and more adult buildings, swinger buildings, buildings for older people and that kind of thing, and less and less accommodation available for people with families. There is a very basic moral judgement and social judgement to be made there which I urge on the minister and which I will urge on him in an amendment when we get to the clause-by-clause study of this particular bill.

We in Ontario say that it it wrong to discriminate against somebody in housing because of their religion—

Mr. Speaker: Order, please. I might point out this particular section has to do with employment, not housing.

Mr. Cassidy: The particular section has to do with housing.

Mr. Speaker: Section 2?

Mr. Renwick: One of the subsections deals with housing.

Mr. Cassidy: The area I am concerned with is section 1 of the bill. We say that it's wrong to deny somebody housing because of their race, their religion, their creed, their nationality, their origins, and now their sex. It just seems to me bizarre that the same time we blinker ourselves to the discrimination which is going on, at an increasing rate, against families with children in a society that has always said that the family and the nurture, care, breeding and raising of kids are important and one of the prime tasks of our society. I think that it deserves to be included in this particular Human Rights Code. If the minister wants to find some other way, fine, but I think that a commitment should be made by the government now before the problem of discrimination against families in housing grows to crisis proportions.

Mr. Speaker: Does any other member wish to speak to this bill? If not, the hon. minister.

Hon. J. P. MacBeth (Minister of Labour): Thank you, Mr. Speaker. This bill, as you know, was originally introduced by my predecessor some time ago in an attempt to bring in a few desirable changes as a result of experience with the Act as it now exists. Some of them are practical suggestions, such as those of the member for Kitchener. He asked about net savings when we transfer over to the women's bureau some of the protections against discrimination of women that have been exercised in the past by the Human Rights Commission. I understand that there was a shift in personnel when this transfer actually took place a few months ago, but that has already taken place, so as far as reflecting any changes in the estimates or the budget it will not do so.

The inquiry powers are less formal, as the member for Kitchener has pointed out. We try to work, Mr. Speaker, when we are carrying out the spirit of this bill, by conciliation more than the adversary system, and that is the reason that we want it done in this way. Actually I am told that in the original bill, as it now stands, it was put there by mistake—they didn't want that procedure, and this is the procedure that they have been following regardless of the form of the Act. So there again, it is tidying up and bringing into practice what actually does, in fact, exist.

The member also mentioned the amendment that I handed to both opposition parties earlier. As the member knows, at the present time in regard to pension plans and insurance, a certain amount of discrimination is in effect. There is a special section which is not carried forward in the reprint of the Human Rights Code but is covered by a note at the end of section 4(1), and it refers to 1972, chapter 119 of our statutes, section 16, the effect of which is to permit discrimination in pension codes.

I have already introduced to the House an amendment to the Employment Standards Act. We now propose to deal with pension uniformity and insurance uniformity so that there won't be discrimination—under the Employment Standards Act rather than under the Ontario Human Rights Code. We think it is better administered there, so now that the amendments to the Employment Standards Act have been introduced we can at this point remove them from the Ontario Human Rights Code, which we couldn't do at the time this bill was introduced.

Now, the hon. member for Riverdale, who is very much concerned, and has spent some time during our estimates on our procedures, has drawn my attention to a white paper from the British system. I'll be pleased to look at that. I am certain that our staff must know it. We are concerned, as is the member, about how to effectively eliminate discrimination. We don't think that court action, except in the glaring cases, is the proper way to do it; we think it's a matter for education and conciliation. We are prepared to examine any way we can to better the situation and if we think it will better it, we will put it into effect.

In regard to the matter of discrimination in housing, I am informed that we have not received any complaints in the matter of housing discrimination against the elderly, but we have received a great many complaints in the matter of discrimination against children.

The member is quite right that we have no provisions to prohibit this type of discrimination at the present time. Our concern is that it would affect so many rental situations across the province if we were to try to bring it in at this time. The answer, of course, is an adequate housing supply—and the member may have his comments on that—but it would be wrong to try to say that they could not put people out, or terminate their leases at the end of the period, if they were trying to put three or four children—maybe even one or two—into those apartment suites that were set up for one and two residents.

We think that would be wrong in the present situation where, as I say, over the years a great deal of leasing accommodation has been built up on the basis that this type of restriction is quite proper.

As the hon. member knows, we have housing for senior citizens that is restricted for the most part to senior citizens; there are also so-called bachelor apartments with only one bedroom. To say that from here on in, landlords could not discriminate because a number of children were suddenly introduced to the situation, we think would be wrong and rather than helping the situation, it would probably add more chaos to the present housing situation.

Mr. Cassidy: That speech would look very bad if the minister said "blacks" instead of "children." He would hide his face in shame.

Mr. Speaker: Order, please.

Hon. Mr. MacBeth: Well, racial differentiation is not permitted, but we are allowing it—and we understand that it goes on—on the basis of children. However, we say that since it has long been an accepted facet in the building of apartments, not only in Ontario but across North America—and, I guess, in most civilized societies—that to try to change it by legislation, in short order, would, as I say, cause more problems than it would hope to rectify.

Mr. Cassidy: But so does the racial discrimination.

Motion agreed to; second reading of the bill.

Mr. Speaker: I understand this is to go to committee of the whole House.

Hon. Mr. MacBeth: We can proceed there now if that is the wish of the House, Mr. Speaker.

Clerk of the House: The third order, House in committee of the whole.

HUMAN RIGHTS CODE ACT

House in committee on Bill 9, An Act to amend the Ontario Human Rights Code.

Mr. Chairman: Are there any comments, questions or amendments to be proposed in this bill? If so, to what section?

Mr. M. Cassidy (Ottawa Centre): I have an amendment to section 1.

Mr. Chairman: Section 1? The minister has an amendment; is it to this section?

Hon. J. P. MacBeth (Minister of Labour): It is to section 2 of the bill, Mr. Chairman.

On section 1:

Mr. Cassidy moves that section 1 of Bill 9 be amended by adding a new subsection (3) as follows:

(3) No person directly or indirectly, alone or with another, by himself or by the interposition of another, shall deny to any person occupation of any housing accommodation or discriminate against any person or class of persons with respect to any term or condition of occupancy of any housing accommodation, because of the age of any prospective occupant or occupants of such housing accommodation, including persons aged over 65, and dependent children of the person or persons intending to rent the housing accommodation.

But the subsection shall not prevent a limitation of the number of occupants of housing accommodation, provided that the maximum permitted occupancy is not set

at less than one adult or child per room of the housing accommodation to which the occupancy limit applies.

Mr. Cassidy: Thank you. I wonder if I could, briefly, get a copy of that amendment back, Mr. Chairman, because I don't have a copy myself.

The point that was raised by the minister about having three or four kids jammed into a one-bedroom apartment is, of course, a valid one. I think it would be unrealistic to expect every landlord to take entire families into one-bedroom apartments. We can find better ways to handle that situation. Therefore, in this amendment, which is rather crudely drafted, the concept is a two-fold one.

One, you don't discriminate against families with kids. I've restricted it to dependent children, but I think it would ultimately probably have to come to any children living with an adult.

Two, you do permit a landlord to set an occupancy limit in order to prevent a situation where he gets a large family trying to seek to get into a very small apartment.

Once again, the definition would probably need to be worked out in more detail. Is a kitchen without a window for example, a room or not? I would imagine it isn't. But that's a matter of regulations when the government accepts this amendment.

What it would mean though, is that in a situation of a bachelor apartment complex, for example, the landlord of course could accept children, as he can accept them right now. And if he wished to restrict it, and these were one-room apartments, then he could simply say no more than one person per apartment—and that would apply throughout.

That would mean, however, that if a couple wished to occupy one of those apartments they would be prevented from doing so unless the landlord's occupancy standards permitted two persons per apartment—and in that case the two people could be a father or mother and child, rather than an adult couple. I don't see anything unreasonable about that. It seems to me if you allow two adults into a small apartment, that surely there is no problem having one adult and one child.

In the case of a one-bedroom apartment, the occupancy standard would be that he couldn't restrict it to less than two people. There would be two rooms, the living room and the bedroom, and that could mean two adults or it could mean an adult and a child. That doesn't seem like an overwhelming kind of burden on the facilities of an apartment building. If the apartment building can't stand up to that, then certainly there is something wrong with the building code. That's where we should look to, and not elsewhere.

In the case of two-bedroom apartments, this would allow two adults and a child at a minimum—for example, a young couple just getting started who have had their first kid—to have free access to the two-bedroom apartments that are available in a municipality rather than being restricted from certain accommodation, or it would allow one adult with two children who is economically in a difficult position to afford accommodation near the ground also to have a relatively wide choice of accommodation, rather than the more and more limited kind of choice which is being made available right now.

The minister talks about the way the rental market has worked in the past. Clearly this is not going to affect anybody who is currently in rental accommodation. If they happen not to have children, then they're not going to be affected. If they happen to have children and are in a building which has accepted them in the past, obviously they're not going to be affected. If they happen to have five kids crammed into a very small apartment now, then obviously the landlord has already accepted that state of affairs. If he chooses to change it, his rights to change it would be little different than his rights to change it under existing law where he can say to them: "Look, when your lease is up, I don't want you to stay on because I'm not going to renew."

I guess the other question which the minister will have to raise, therefore, is what about the rights to quiet enjoyment of people who are tenants, if a person who has a child or two moves in down the hall? I think the answer there is that it's the same as with any other kind of form of discrimination. What about the Arab who has somebody of the Jewish faith move in down the hall? Or what about somebody who is irrationally prejudiced against people who are black who has a black move in down the hall? They have a choice. They can clearly move somewhere else, if they don't like that situation, and that is as it should be.

Moreover, the landlord is free to make reasonable rules about the use of the premises. If it is found that a tenant is holding wild parties, for example, in an apartment, then it is open to that landlord not to renew the lease at the end of the period on the grounds that the tenant was disrupting the quiet enjoyment of other people. If it's found that parents are allowing their children to use the corridor of an apartment building as a play-

ground and to pedal their tricycles at a furious rate back and forth as they utter Indian war whoops every night until 10:30 at night, then clearly those parents and that family aren't fitting in very well. There is reasonable ground to say to them, "Look, we're awfully sorry, but you're going to have to go."

I would suggest to the minister that, in the same way as, I'm sure, he wouldn't dare to suggest all people of a certain nationality, race, sex or anything else, smell or have funny habits or something like that, he shouldn't make those kind of generalizations about families. I think, that there are a lot of perfectly reasonable normal kinds of families with reasonable normal kinds of kids and they should not be discriminated against on the fear that, "Oh, my God, they're going to tear the place apart."

That, basically, is what it amounts to. It's that, plus an unwillingness of some people who are tenants or who are in accommodation right now, to accept that there are other people with certain different habits and lifestyles in this world, namely children, and to accept that maybe they should tolerate them rather than try to shut them completely out of their lives. They're not allowed to shut coloured people out of their lives or people with different religions out of their lives, so why children?

I'd appreciate the comments of the minister. Maybe we can have a dialogue for a minute or two about this before we go forward.

Mr. Chairman: Does the hon. minister wish to respond?

Hon. Mr. MacBeth: Yes, Mr. Chairman. I certainly appreciate the intent of what the member for Ottawa East—

Mr. Cassidy. Centre.

Hon. Mr. MacBeth: I'm sorry, Ottawa Centre—

Mr. Cassidy: We'll take Ottawa East next time.

Hon. Mr. MacBeth: —is trying to bring about by this amendment. It's a concern to the commission because there are many cases where families are asked to leave. However, I think the only answer is the answer that I've suggested: greater housing supplies. I'm concerned that the restrictions we sometimes put on landlords tend to have the reverse effect.

Mr. Cassidy: This is not a restriction.

Hon. Mr. MacBeth: This applies to bylaws or whatever else you want to call it. The more legislation you try to bring in in the housing field—it sometimes may have the reverse effect by tending to chase out people who might otherwise be happy to build accommodation, and make them say, "All right, they are making it so difficult for us that we are no longer interested in getting into that field."

But that is not the real answer. As I say, the real answer is the fact that for years there have been apartments for adult people, family apartments, and senior-citizen accommodation. Children are normal; it's not the abnormal children, I suppose, that we are concerned about, because there are ways of putting out abnormal children or families that make undue noise. But children are very normal, children are boisterous, children are full of life, and they don't always go to bed at 7:30 in the evening. They like to turn their radios up and listen to loud music, they like to play games outside people's windows and they might even break the odd window. To say that accommodation that is now known as adult accommodation suddenly has to have even normal children left in it, or permitted to be there, I think would be changing the order of society to quite a degree that would not be acceptable.

Mr. Cassidy: Why is the minister such a Tory?

Hon. Mr. MacBeth: Simply because there is no great harm in being a Tory. In many aspects it's a good philosophy to have, and many people in this province have that philosophy, that if they want to live in accommodation where children are not—I don't like to say prohibited; I suppose that's a fact—

Mr. Cassidy: That's it, sure.

Hon. Mr. MacBeth: —where children are prohibited, they should have the right to do so. The member is suggesting that people shouldn't have that privilege, but in that philosophy I think I am right. You are entitled to your philosophy on it, but I suppose that's why I am a Tory and you are a member of the New Democratic Party. But this is what being in here is all about. You have your thoughts and I have mine.

I think there is no reason why people should not have the right to say, "I want to live in accommodation where I won't be upset even by normal children." So, Mr. Chairman, I am not prepared to accept the amend-

ment, although I appreciate the spirit in which the member offers it.

Mr. Cassidy: I just want to pursue this a bit further, Mr. Chairman. I recognize that the minister is not exactly going to succumb at this time. I have to confess to a kind of frustration which I find with many ministers and many people in the government, because of the kind of laissez-faire philosophy that they tend to espouse and the fact that they just don't know what is happening out there in the real world, outside this particular Legislature.

Mr. L. M. Reilly (Eglinton): Do you think you are the only one with a family?

Mr. Cassidy: Look. I have a family—

Mr. Chairman: Order please.

Mr. Cassidy: —I also happen to own a house, and therefore within that house and around that house I can do pretty much what I please. I am in a situation, a privileged situation, like most of the people in this Legislature.

None of us has to cope with the problems of, say, being a single-parent family, being a mother with two or three kids who has been deserted by a husband, and who is working because she doesn't believe in going on welfare, and who is trying to find decent accommodation for those kids which is convenient to her work, to a daycare centre and to a decent school, and who is trying to be a worker, a mother, a father and everything else, and also have some life of her own. We don't have that problem.

We don't have the problem of somebody who is earning $3.90 an hour, the average industrial wage here in Toronto, and is trying to raise a family, has just moved in from Hawkesbury because there aren't jobs up there, is trying to cope with the big city, obviously can't afford $50,000 for the typical house here in Toronto, and therefore has to live in rental accommodation.

I would say that any person in the Legislature now who is a tenant in his home riding is so by choice and probably because the family has grown up and he has decided to move into an apartment because it is more comfortable for him than the house that he previously owned. So we are not touched by these problems—and that includes the member for Riverdale (Mr. Renwick) and myself and most of the other members of the NDP caucus. But at least I talk to people in that particular situation.

Let me say this to the minister: The first reason for having this particular amendment is not to upset the people who are living in the adult buildings that overlook the Humber River in his constituency, just inside the boundaries of Etobicoke near Bloor St. The rents around there are probably prohibitive for the average young family anyway. The first purpose is to stop the trend which is gathering momentum now to create all-adult buildings, or to turn buildings that formerly accepted children into buildings that will only accept adults in future, or even to the extent, as the minister is obviously aware, to turf families out of rental accommodation because the landlord has decided that he wants to turn it into an all-adult building.

It's bad enough to put up a new building and say no kids allowed. It's worse to take an existing building and say from now on no more kids will be allowed. It's even worse—it's just degrading to hear about it— to find that families who may have lived in the building for six, eight, 10 or 12 years are now being put out on the street because of an arbitrary decision by their landlord that not only will he no longer permit kids there, but he is going to get rid of the kids who have been living there for a number of years. This is comparable, you know—well, I guess I had better not use that comparison, but I don't think that that is something that ought to go on in the Province of Ontario.

When the minister says he thinks that people should have the right to live without being interfered with by kids, would he then defend the creation of subdivisions in which children are not permitted? Would he support a bylaw which said that on his street in Etobicoke, beginning Jan. 1, 1975, and from then on, no family with children would be permitted to live and would be forced to move? Would he permit a restrictive clause on all of the houses on his particular street that said from Jan. 1, 1975, no home on this street may be sold to a family with children?

Would he permit a rule which would say that on that street no parent may temporarily harbour their married daughter or married son with a couple of kids, if the kids happen to get into trouble and need to come home because they are in economic difficulty or trying to finish a Master's degree or something like that, and that they would not be permitted on the street because they happen to have young children who are the grandchildren of those people on that street? That's what he is saying in relation to the more than half of the people in the city of Toronto who are tenants.

In addition, he says: "Well, we don't want to put any more restrictions on landlords. My God, we'll drive the poor dears away." Of course, there is an answer to that and that is that we don't have to put up with private landlordism for ever and ever. In Britain, the Labour Party has said it is going to put an end to it, and sometimes I think that wouldn't be a bad idea around here.

When it came to bringing in the Human Rights Code and telling landlords that you don't shut somebody out because they are black or brown or yellow, this government took its courage in its hands and it said that to landlords. Now, frankly, that was a relief, not only for the people affected—that is, the people who happen to be of another nationality or colour or religion or sex—but also for the responsible landlords in the province as well.

I have a feeling that the Human Rights Code is in the main intended to apply against smaller landlords who have sort of run their property more personally. I think the larger landlords have tended to be fairly enlightened in this particular matter, in the main. I am willing to grant them that. Nevertheless, it meant that if a tenant came to the superintendent in a building, or came to the landlord and said, "Will you get those darkies out of here?" or some other pejorative type of word, it meant that the landlord no longer was vulnerable to that kind of pressure. Even if the entire building signed a petition saying, "We don't want that family around here," the landlord was protected by Ontario law, because he could come back to them and say: "Look, Ontario says you don't discriminate against somebody on the grounds of their colour, their race or their creed." That was a protection for the landlord, not a restriction for the landlord.

I would suggest that most of the accommodation we are talking about is being put up by large commercial corporations who went into the game for profit and who are putting up units of buildings with maybe 100, 200, sometimes 400 or 500 units apiece and renting them on a commercial basis. They are vulnerable right now to a group of tenants saying, "We don't want any kids around here," and that leads some landlords to come and say: "Well, okay, there aren't that many families with kids around here anyway, so we will give in."

They also see, let's face it, an opportunity in the commercial market when the market is very tight and when there is a demand, as the minister has already indicated, by certain tenants to have accommodation where there aren't kids around. It's worth maybe $10 or $20 a month in reduced maintenance costs and increased rents that they can charge in having an all-adult building with a guarantee to the tenants that there will be no children around. Therefore, being profit-oriented and not people-oriented, they very easily succumb to that temptation and turn buildings into all-adult buildings. It would, therefore, in that case be a defence against the tenants, but it is also a protection for the landlord against tenants who say, "We don't want those kids around here."

The minister might comment on the question of occupancy standards and as to whether he considers that is not a reasonable kind of way of ensuring that you don't get overcrowding in the building through permitting children to come in. I would like the minister to comment on that as a device, because I hope very much, even if he is not going to accept this now, that some time in the next six months the minister will consult with the Minister of Housing (Mr. Irvine) and with the Provincial Secretary for Social Development (Mrs. Birch) who presumably has some concern about the families in the province—although we're not so sure—and with other people affected, and come back in the spring session of the Legislature with an amendment that will protect families with kids from being discriminated against in the housing field.

Mr. J. A. Renwick (Riverdale): May I just make a comment about my colleague's amendment? The focus of his amendment deals really with non-discrimination on the basis of age under whatever necessary provisions there are in there. The debate between the minister and my colleague was centred upon the question of children. But because of the interjection by the member for Eglinton I would point out that part of the amendment proposed by my colleague deals with age at the other end of the scale as well. Since my friend, the member for Eglinton, is rapidly approaching that end of the spectrum, it would seem to me that he would be one who would want to support an amendment which would provide that there would not be any discrimination on the basis of age in housing accommodation in the Province of Ontario.

Mr. Reilly: Is the member speaking for both of us?

Mr. Renwick: I think the member for Eglinton is proceeding a little faster than I am at the present time.

Mr. Reilly: Maybe it's not so obvious.

Mr. Renwick: It does seem to me that what my colleague is saying is dealing with age. I have never understood why, in this particular non-discriminatory provision of the code, age was omitted from the particular characteristics against which we are trying to provide for non-discrimination. It seems to me that the minister has to give some satisfactory answer to indicate why for older people there should not be a provision that prevents discrimination against them.

Many elderly people are going to be in a position perhaps where they are living alone and perhaps where they are certainly able to pay their rent but may not be able to conduct themselves exactly in the way, because of age disabilities, that the landlord may wish. Yet there is nothing to protect people at that end of the age spectrum against discrimination.

Somehow or other, the refinements necessary to deal with discrimination on the basis of age have not had the attention which has been focused by more vocal groups on various other characteristics against which we do not wish to permit discrimination. I would like to have the minister's comment, indeed ultimately support for the kind of amendment introduced by my colleague, as to why age is not included in the category as set out in the Human Rights Code as it presently stands.

Mr. Chairman: The hon. minister.

Hon. Mr. MacBeth: Thank you, Mr. Chairman. The word "discrimination" used to be a respectable word in the English language. I think at one time young people were taught to discriminate on various bases. They were taught to discriminate between good and bad, between shoddy and quality. There are certain kinds of discrimination that today are accepted as bad discrimination, Mr. Chairman, as a sort of thing that is repellent to society and which we don't want to go on. These are the things that the Act tries to outlaw or make illegal, that is, discrimination that is distasteful to all of us and that we don't want in our society.

I don't think we are outlawing the word "discriminate" to say that there are some types of discrimination that are not quite reasonable and quite proper. In certain circumstances, I think discrimination in regard to age is quite proper. I am not suggesting that, in the case of the situations that the hon. member for Ottawa Centre mentioned simply to use them as a ploy to get rid of children are good. But there are many kinds of discrimination in housing, based on age, which I think are quite proper and reasonable. I can think of the senior citizens' home. You can say that's a foolish example, but we discriminate against many people below a certain age who can't get into senior citizens' homes. I think it's quite right and proper that there should be set up by the municipal governments, and in some cases the provincial government, housing which only permits senior citizens there. That's a kind of discrimination which I think is quite reasonable and proper.

I have come across cases, Mr. Chairman, where good-intentioned landlords wanted to get senior citizens out of their private apartments simply because they were a risk to themselves in remaining there. They would leave stoves on. They might do many things that were not only a danger to themselves but a danger to the entire apartment building. They have come and said: "Here, I want to get rid of those people. Can you help me get them into a senior citizens' home of some sort?"

Mr. Renwick: That would be a justifiable reason. That has nothing to do with discrimination.

Hon. Mr. MacBeth: Well, it's discrimination on the basis of age. Those people don't want to go. They want to stay. I appreciate the intent.

Mr. Cassidy: Those landlords wanted to get them out. They want to raise the rent but don't dare do it because they are senior citizens.

Hon. Mr. MacBeth: You look at everything from the black side. I am sorry for using that word. You look at everything from the negative side, from the wrong side, as if everybody who was using these rights was using them in abuse of something. I say that there are many good bases for setting certain types of housing apart on the basis of age, although I agree that it is used in some places wrongly and in a way that I don't like to see it used. I am prepared to sit down with the Minister of Housing and see if there are some ways that they can be worked out so that they can even be built in some way into the occupancy regulations, as you are suggesting. Again, I am suggesting to you that there are many forms of age discrimination which I think are desirable for society. In many cases in housing there are some very good reasons for having them.

Mr. Cassidy: Would the minister say, in addition to the housing for senior citizens,

people aged 60 and over, what other forms of age discrimination in housing does he find desirable?

Hon. Mr. MacBeth: I can think of housing for students, for instance, Mr. Chairman, where they don't want to have it opened to all sorts of people. They may want to have a limited age bracket or for those who are attending university or something of that nature.

Mr. Renwick: You can deal with those things by exception.

Hon. Mr. MacBeth: I suppose so, but there are so many exceptions and then you are presented with the business of defining those exceptions. One of the whole problems in this field is making exceptions to the general rule. As I said, I will be pleased to look at them with the Minister of Housing. At the same time, I think you have to allow this age discrimination in the code. And I would remind you it is not dealt with in sections 1, 2 and 3. It is only found at the present time in the employment section.

Mr. Cassidy: The minister mentioned students, although obviously students with children are in a particularly difficult position because they want to be close to their university and, therefore, tend to run more directly into the age discrimination against kids than many other people who have a wider choice of where they live. He has mentioned students and old people. Are there other groups for whom he feels it is desirable to have age discrimination in housing?

Hon. Mr. MacBeth: Mr. Chairman, I think I have done pretty well in coming up with two on the spur of the moment. Yes, I suggest there are many other age groups.

Mr. Cassidy: Well, what are they?

Hon. Mr. MacBeth: I can't just pull them out of the air. I am suggesting to you that there are more.

Mr. Cassidy: It is incumbent on you to tell us what they are.

Hon. Mr. MacBeth: I don't think it is. You are the one that's proposing the amendment. I am telling you two good reasons why I don't think it should be accepted.

Mr. Chairman: Order, please. I think the debate is becoming a little repetitious.

Mr. Cassidy: I will just close it off, Mr. Chairman. I appreciate what you are saying and, after all we have taken all of 45 minutes on this bill which is a pretty long time. I would just say this to the minister that if he wanted to stand this clause and come back next week and put in a specific exemption for buildings which are directed to people age 60 and over and to student residences, and if he wanted to work out occupancy standards, we would be very willing to look at that. But the idea, for example, that a building can be directed to young swingers or to people in their 30s and 40s, and not be open to other people, makes no sense at all to us on this side of the House.

The minister must surely be aware that apartment buildings—and that's what we're talking about, in the main—acquire a certain character of their own. I can take him around my riding and take him to some buildings that have older people, some people that tend to have young people, some buildings that have quite a sprinkling of families, some buildings that only have one or two families.

These things happen for a number of different reasons: the quality of accommodation, the location, the recreational facilities, the age of the building, the rents, and all that kind of thing.

Therefore, in the main, people will still tend to seek out buildings where they feel sympathetic, where they feel at home. That's not going to change because of putting this provision into the Act. But the power to kick families out of apartments should stop. The power to prevent people from moving into a building if it happens to suit their particular needs—to prevent them because they have kids—should stop now. I urge the minister to take this up as a matter urgency and not to try and pretend that there are some kinds of discrimination that are good. They're all bad.

Mr. Chairman: Mr. Cassidy has moved that section 1 of Bill 9 be amended by adding a new subsection 3. I will dispense with the reading of it; it's already been recorded.

All those in favour of Mr. Cassidy's motion will please say "aye."

All those opposed will please say "nay."

In my opinion, the "nays" have it.

Mr. Cassidy: You hesitated there, Mr. Chairman.

Mr. Chairman: I declare the motion lost.

Section 1 agreed to.

On section 2.

The minister has an amendment to move.

Hon. Mr. MacBeth moves that section 2 of the bill be amended by adding thereto the following subsection 2:

The said section 4 as re-enacted by the statutes of Ontario, 1972, chapter 119, section 5, is amended by adding thereto the following subsection:

"Subsection 9, clause (g) of subsection 1 does not apply to any bona fide superannuation or pension fund or plan, or any bona fide insurance plan that provides life, income, disability, sickness, medical or hospital payments, or benefits of a monetary kind to which an employee, his survivors or dependants are or may be entitled, that differentiates or makes a distinction, exclusion or preference between employees, or any class or classes of employees because of age, sex or marital status."

It is further moved that the said bill be amended by renumbering sections 5 and 6 and sections 6 and 7, respectively, and by adding thereto the following section 5:

"Subsection 2 of section 16 of the Ontario Human Rights Code Amendment Act, 1972, being chapter 119, is repealed."

Hon. Mr. MacBeth: Mr. Chairman, the purpose of that is to make operative the pension plans with a no-discrimination provision and to put them into the Employment Standards Act where they can be better administered. I think you have a copy of this.

Mr. Chairman: Yes. The hon. minister has moved an amendment. Shall I dispense with the reading?

Mr. Renwick: Yes, please.

Mr. Chairman: The hon. member for Riverdale wishes to comment.

Mr. Renwick: Mr. Chairman, because there are now two matters to be dealt with under the second clause of the bill, I would like, first of all, to deal with the matter which is set out in the printed form of the bill, before commenting briefly on the amendment which the minister has just introduced.

I think the minister is very unwise to insert the word "age" in subsection 6, as an exception to the prohibition. I can understand where you state that the provisions of this section relating to discrimination, and so forth, on the basis of sex or marital status, do not apply where sex or marital status is a bona fide occupational qualification and requirement for the position or employment.

I think it is quite possible, objectively, to establish the bona fide of that as a reason for discrimination in employment. There very well may be bona fide situations where that kind of discrimination should not be included among the classes of prohibited discrimination. When you get into the question of age you get into very slippery ground about the bona fides of denying a person employment on some other ground and yet try to state that the real basis of discrimination is not age.

It seems to me that any employer must be in a position where he can run the risk of establishing the reason why he does not provide employment to a person in such a way as to show that it is not a discrimination against that person because of age. It's the kind of proposal that we in this party are not prepared to accept at this time, and we will cast our vote against the proposed amendment by the rewording of subsection 6 to include the word "age."

We have already had a discussion on the question of age with respect to the preceding clause. What we are really saying to the minister is that age, as such, brings to mind assessments, decisions, subjective judgements, which the other forms of discrimination which we are prohibiting do not bring to mind. I pay tribute to the work of the Human Rights Commission in Ontario and to the government for its foresight in introducing it so long ago, but in the classification of age, particularly old age, there has not been sufficient study to protect elderly people against insidious forms of socio-economic discrimination.

I'm saying to the minister that he should not proceed with this amendment on that particular ground until there has been some further thought and study made in connection with it, and whatever report is prepared should be filed as a matter that could be studied at the time that such an amendment is introduced into the House.

With respect to the amendment which the minister has just introduced, I understand the reasons for it. I understand the study which has been made. I understand his proposals with respect to transferring this matter into the Employment Standards Act. I don't quite see why you have to repeal this clause.

I would ask the minister to explain that to me, because we are now going to have an Act, the Ontario Human Rights Code, which will permit that kind of discrimination, and instead of it being dealt with as a matter of discrimination and human rights, we are going to transfer these provisions into the Employment Standards Act, and when we transfer them into the Employment Standards

Act, we are going to be saying to people, "You no longer have the protection as a matter of human right; you've got it only by virtue of the Employment Standards Act."

It seems to me that the minister would have been well advised to forget the tidiness of the matter, leave it in the Human Rights Code as it is presently worded, and have the time come when a proclamation will be issued, and in addition, provide in the Employment Standards Act for the kind of provision which he will be introducing, because that then would be permissible. If it were permissible under the Employment Standards Act it would not of necessity therefore be barred under the Human Rights Code, because there would be other considerations rather than the fundamental consideration of discrimination in the sense which we are trying to prohibit it.

Mr. Chairman: Does the minister wish to comment?

Hon. Mr. MacBeth: Mr. Chairman, the first remarks of the hon. member for Riverdale had to deal with the matter of age, and I think the only answer I can give him—which again may not be satisfactory to him—is the fact that we want the legislation to be as practical as possible. In other words, if the legislation is to be respected and accepted by the majority of the people of this province, I think we have to steer away from it appearing to be in any way unreasonable or ridiculous in any manner.

The examples that I have been given for age are such things as police forces. As you know, we deal specifically with the ages between 40 and 65. There have been some police forces that have encouraged retirement at 60. That may not be the best example, because maybe they should find other employment for them between, say, 60 and 65, but they can't all become armchair people, particularly in some of the smaller forces. These smaller forces want policemen of ability and in full vigour.

In regard to heavy industry, I think that is the place where we probably have the best example, because there are sometimes people who feel that they are capable of doing heavier work than they obviously are able to do, and when we say you have got to take this person on at 55 or 60, for a job that most of us would probably agree is beyond the physical capabilities, we tend to bring the whole code in disrespect. So we want to remove this.

The deciding factor as to whether it's a bona fide consideration will rest with the commission. It's not as though it's an arbitrary decision made by the employer or the other party concerned. The bona fide of the matter is a matter for the commission itself to decide and I think that they can deal with that in a very real and practical sense, although I agree it is a matter of opinion in many cases, but it is not the opinion of the employer.

I agree, in part, in regard to the insurance. It's a case of tidying up the legislation on hand. Our employment standards people are the people who are in everyday contact with such things as contract negotiations. They are also setting minimum standards, as you know, and that's where the expertise is. I think the problem might be if you had two boards—that is, our employment standards officials and the Human Rights Commission—deciding on when the terms of a pension or a retirement scheme were being breached on the basis of sex.

Since it is such a complicated matter, as you know examining the report, we feel that it should be best handled by experts who are in our employment standards field, or who will be there, and not by the commission, which for the most part are ordinary citizens who, talented though they may be, are not particularly skilled in the matters of insurance and pension schemes. We feel that it should rest with our employment standards branch, where we will have experts on evaluating the various types of pension schemes.

Mr. Chairman: The hon. member for York Centre.

Mr. D. M. Deacon (York Centre): Mr. Chairman, I'd like to support the point made by the member for Riverdale, with regard to police forces or any other employment, because it is quite easy for medical examination and tests to decide whether or not a person is physically fit, and there are other bases of judging a person's fitness for a job than just age.

I can well remember the newspaper story lest year about Mr. Johansen, of Quebec, who went down to the docks in Montreal to see about a job on a ship to get back to his native land of Norway, and he was taken on, much to his pleasure, because he wanted to get a free trip back. I forget how he served on that ship, but it was certainly mostly as a deckhand. Mr. Johansen did such a fine job on his trip over that they said "Any time you want to come on board with us again, fine." He is 40 years older than the minister is. He's 95.

Hon. Mr. MacBeth: Obviously in better shape.

Mr. Deacon: That man's ability—he could run up the stairs here, he could do anything. He has the physical stamina and he has the physical condition of a person of 60 years younger than himself. There are such individuals we come across, because they made that one of their objectives in life, and discipline themselves accordingly.

I find many, many individuals who are not fit for their jobs at many years below their retirement age because they have not taken care of themselves— and others who have. Why should we provide for discrimination on the basis of age?

I mention to the minister that he should recognize the fact that medical examination can certainly test very well whether a person is physically able to do the job. There are other types of tests that can certainly indicate whether or not a person is qualified with regard to his mental capacities.

I think that we've got to get away from this excuse that is so often made for shutting out opportunities to senior people who have taken pride in keeping themselves fit and young in outlook as well as in physical condition.

I fully support the position taken by the member for Riverdale and I ask the minister to reconsder this. It just isn't right to have a continuation of the frustrations that this amendment persists in maintaining in discrimination over age.

Mr. Chairman: The hon. member for Windsor-Walkerville.

Mr. B. Newman (Windsor-Walkerville): Mr. Chairman, I want to reinforce the comments of my colleague, the member for York Centre, with my experience as a member. I've received many, many letters from people from age 40 up to and including 65, who have complained that job opportunities for them become extremely limited, especially when it becomes a competitive job market.

These individuals in that age group I mentioned, are probably as capable physically of performing duties as is anyone considerably younger than they are. But because of pension benefits on the part of industry, they are being discriminated against. They cannot work in the industry long enough to get any pension benefits.

I don't think we should have the calendar decide as to whether an individual can or cannot perform services.

As my colleague did make mention, there are many other ways to judge the qualifications of an individual. But the calendar shouldn't be one. We always say the job could be too hard or too heavy for the individual.

The individual himself will decide whether that job is too hard for him. If he can't come along and perform his services or if he finds that it is beyond his physical ability to perform them effectively and effciently he will ask either for a transfer or he will find other type of employment.

But we simply should not discriminate because the calendar happened to slip by a little too fast for one individual, even though he is physically able and mentally alart. I think this is the wrong approach completely.

Mr. Chairman: Does the hon. minister wish to comment further?

Hon. Mr. MacBeth: Mr. Chairman, in my own personal thoughts, I regret that we have to put any age in there at 65. I have recently taken on as my executive assistant a man who retired at 65, and to my mind he is more valuable today than perhaps he ever was.

I would agree with what the hon. members have just said, that there are many people at 45 and 55 who are in better condition than many younger people. I'm suggesting that even 65 works a hardship in many cases and yet, as the member knows, these are involved again with pension plans and things of that nature. But the answer as I have it from the staff is that age exceptions are only granted after firm investigation and review by staff and formal vote of the commissioners. So putting age in there is not going to automatically say that one can then exempt on the basis of age.

Mr. Renwick It's going to make it almost impossible.

Hon. Mr. MacBeth: It then remains to show that it's a bona fide basis for it. I'm still suggesting that there are some heavy industries, some types of occupation where it does become a bona fide exception, but the genuineness of that claim is not automatically accepted. The commission has to be satisfied in regard to it. I think that's a more flexible and reasonable position to have than is presently the case.

Mr. Chairman: The minister has moved an amendment that section 2 of the bill be amended, etc. All those in favour of the minister's—

Mr. Renwick: Mr. Chairman, on a point of order, so that we don't get confused here, I think we are prepared to allow that particular amendment to pass, but we don't want the passage of the amendment to carry the section because we want to oppose that part of the bill as presently written. It may well be that if the minister would agree that this could be called a new clause, we could vote on section 2 as it stands now, and deal with the minister's amendment as section 3 and renumber the balance of the bill, if that makes sense.

Mr. J. R. Breithaupt (Kitchener): I would think, Mr. Chairman, that that would be a practical way of dealing with it. I think we are agreed that the amendment which the minister has now proposed, which in fact would be a subsection referred to by roman numeral ix, is something with which we can agree, certainly, if the minister would move that that could become perhaps section 3 and the other sections be renumbered. I think we could get on with the voting.

Hon. Mr. MacBeth: I don't see any problem with that, Mr. Chairman.

Mr. Chairman: Then we will vote on the minister's amendment. This will not limit the debate or carry the remainder of the section.

Hon. Mr. MacBeth: There is some renumbering done in my bill, but as long as we make everything comply—

Mr. Chairman: All those in favour of the minister's amendment say "aye." All those opposed, say "nay." In my opinion, the "ayes" have it.

Motion agreed to.

Mr. Chairman: Is there any further discussion on the original section 2—I assume it's subsection 6—on the original subsection 6? It will be renumbered. Is there any further discussion on that?

Shall that carry?

Some hon. members: No.

Mr. Chairman: All those in favour of it carrying will please say "aye." All those opposed will say "nay." In my opinion, the "ayes" have it.

Mr. Breithaupt: We will stack this.

Mr. Renwick: We are prepared to stack.

Mr. Chairman: You are prepared to stack. Is there any further discussion on amendments or on any other section of the bill?

Mr. Breithaupt: I had asked, Mr. Chairman, the minister with respect to the matters dealt with in section 3. He is in effect changing a function from one branch of the ministry now to another. Could he explain the reasoning behind it and the manner in which these problems will now be dealt with?

Hon. Mr. MacBeth: Mr. Chairman, if I can read my note on this, section 7(a) continued the women's bureau as a division of the Human Rights Commission. When sex was added to the Human Rights Code in 1972 as a prohibited form of discrimination, the Women's Equal Employment Opportunity Act provisions were incorporated into the code, thus the Human Rights Commission took over the administration and enforcement of the prohibitions involving sex as a discriminatory practice.

The remaining functions of the women's bureau relating to equality of opportunities for women, by the direction of Management Board, have been assumed by the women's programme division under the direction of Mrs. Ethel McLellan, executive co-ordinator. The women's bureau has become redundant as it formerly existed. I don't know whether that answers the question.

Mr. Breithaupt: While it may have become redundant, are the personnel involved and the programme being entirely transferred, or will something called the Ontario women's bureau continue to remain redundant?

Hon. Mr. MacBeth: I have a note on this, Mr. Chairman. This was carried out two years ago, and all investigatory staff—three in number—were transferred to the commission. Additional resources were also added—five officers—giving coverage in 11 regional offices. Previously the bureau was located only in Toronto.

Sections 3 to 6 inclusive agreed to.

Mr. Breithaupt: Mr. Chairman, we have a vote in this matter. We would be content to stack it until the end of the morning if that is wanted.

Mr. Chairman: Can we do that?

Hon. Mr. MacBeth: Do you mean to vote before the House recesses for the day?

Mr. V. M. Singer (Downsview): Before the House rises, yes.

Mr. Breithaupt: Or is it more practical to call in the members?

Mr. Chairman: I think we should call them in now.

Mr. Breithaupt: Very well, Mr. Chairman. Call in the members now.

The committee divided on hon. Mr. MacBeth's amendment to section 2 of Bill 9, which was approved on the following vote:

Clerk of the House: Mr. Chairman, the "ayes" are 38, the "nays" are 21.

Mr. Chairman: I declare the motion carried.

Subsection 6 of section 2, as amended, stands as part of the bill.

Bill 9, as amended, reported.

Hon. Mr. Winkler moves the committee rise and report.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of the whole House reports one bill with certain amendments and asks for leave to sit again.

Report agreed to.

CORPORATIONS TAX ACT

Hon. Mr. Meen moves second reading of Bill 82, An Act to amend the Corporations Tax Act, 1972.

Mr. Speaker: The member for Kitchener.

Mr. J. R. Breithaupt (Kitchener): Mr. Speaker, on this bill it is my understanding that the minister is going to send the bill to standing committee so that, as a result, many of the comments that could be made on section-to-section can be dealt with at that time. There are a number of changes in the bill which are going to affect the rates of corporate tax in the province and also the matter dealing with the development of certain definitions concerning matters such as the family farm and that sort of thing.

I don't think there is anything particular that can be said on the principle of the bill at this point and I think that the discussions can more usefully be held in standing committee when we deal with it section by section.

Mr. Speaker: The member for Lakeshore.

Mr. P. D. Lawlor (Lakeshore): Mr. Speaker, I think we will spend just little longer on it than that. I think too it should go to committee because of its intricacies.

I was thinking this morning how curious it is in the Legislature that when tax bills are introduced it is almost exclusively the legal profession that is on its feet. I find that anomalous. There is no reason in the world why this particular faction or ilk of society ought to be handling legislation of this kind day after day.

Mr. J. E. Stokes (Thunder Bay): It is because of the verbiage; nobody else can understand it.

An hon. member: It's the wording I can't understand.

Mr. Lawlor: It also proves something I think, monumental and elemental, with respect to the legal profession, for which we ought to give ourselves a coup de grace. We are the only ones with the formidability and the guts to tackle, with a wave of the hand, so to speak, cavalierly—

Mr. Stokes: I wouldn't say that.

Mr. Lawlor: —the terrifying complexities and intricacies of even so slight a measure as I hold in my hand. To take a look at it—

Mr. Stokes: If you lawyers were the meticulous grammarians you hold yourselves up to be, we would be able to understand that kind of legislation, too.

Mr. Lawlor: Would you intervene and stop my colleague from—

Mr. Speaker: Maybe you had better settle that outside.

Mr. H. C. Parrott (Oxford): I am on the member's side even though his colleague isn't.

Mr. Lawlor: I find the Tories rather negligible to get along with these days, but it's one's own colleagues who give all the difficulty.

Mr. Breithaupt: Aye, there's the rub.

Mr. Lawlor: It covers, Mr. Speaker, four basically grey areas. The first one has to do with the family farm corporation; the second with mining taxation in some of its aspects; the third with the small business tax credits, which are being introduced as a novelty and for the first time and which I for one at least find fairly acceptable, except in one area I have misgivings about these VICs, the venture investment corporations. That is an area in which I would like the minister to

thoroughly equip himself for the purpose of committee to see what the tax incidences are, what the flow-throughs would be, what the savings might be, and whether it will be really efficacious in aiding small businesses; whether you could really put your finger on any quantitive measurement of benefit to small businesses.

After all, the legislation is retroactive and is in effect at the present time, strictly speaking, and it should have given an impetus by this time to the business community in this regard. For a long time under this particular head we have pilloried the Tories—and the member for Eglinton (Mr. Reilly) knows this only too well because he himself has spoken on the measure and has been the one lone vocal voice of the Conservative Party in this province in that particular regard, that is forfending in the interests of the small businessman. As far as his colleagues are concerned he has had more of a fight with them on that particular matter than he has had with us. This is the first glimmering possibility that something may be done in this area which would make an impact in this particular field.

I have my doubts, and I also have the cost-benefit analysis situation in mind, and the social implications of VICs as rewarding certain factions of the population by way of reduction in taxes over against what they should fairly pay. In other words, it may be a bonanza for the wealthy in somewhat the same way as the interest on municipal borrowings is to certain very large taxpayers in the United States of America where again, it's something of a ripoff. I don't want VICs to become ripoffs.

VICs is a secondary matter within the larger picture of a small business corporation in helping the small business to operate.

The more important aspect in the legislation are the MICs—the mortgage investment corporations—which are coming on stream in this country, federally and otherwise. It is a new invention and is designed to institute a flow-through of funds. The MIC itself is restricted, first of all as a Canadian corporation and, secondly, as one concerned with investment in mortgage markets only. With the flow-through of funds through that corporation, the corporation will not bear a tax burden in this particular regard. The end recipient is the shareholder in that corporation. The tax will fall into his hands and not in terms of dividends, but in terms of interest and the benefit in tax savings.

I would like to see that spelled out. It's infinitely helpful when you're dealing with legislation of this kind to have a document like the highlights of the Ontario budget, where it's given in simplistic terms, if you will. In other words, it's broken down as examples, as to how it may operate in a particular context. That's the kind of thing I'd like to see—just a little—with respect to MICs; so you can transfer it from this polyglot language that we have in front of us over into mathematical terms which are immediately evident on the page.

In that particular way, I would ask the minister to give some thought to that. I'd ask him to give good thought to that with respect to the bulk of his tax legislation—at least those ones which he would have to admit in all conscience, that he himself found very difficult to parse and to analyse. Some of the side notes are totally delusive as things presently stand. Those notes didn't help anybody at all. If a little mathematics was thrown in on the side, so to speak, as a gratuitous sop to the opposition, and even, perhaps, more of a sop to the minister himself, to his self-understanding in these matters, then we would all suddenly hit a transverse vein. Our tangents would meet somewhere in the infinite distance and we would come together in speaking about the same thing in legislation of this kind.

Hon. A. K. Meen (Minister of Revenue): That's where two parallel lines meet.

Mr. J. A. Renwick (Riverdale): He just insulted the member; a transverse meet.

Mr. Lawlor: I was thinking of Albert Einstein; but they do actually meet in eternity, don't they?

Hon. Mr. Meen: Sure, that's what parallel lines mean.

Mr. Lawlor: Does the minister think we'll live long enough?

All right. In respect to the family farm situation, the tax year has now been reduced as a mortgage investment to a flat $50 under section 10. But there is one good move caught up in this thing; that is, that those people who are in the horseracing market, raising horses for meets, are excluded.

We have spoken about that in the case of our own homegrown favourite capitalist—I won't even mention his name—as being a beneficiary of public largesse to the point where parallel lines meet throughout our history of this province. Again, a certain segment, the clutch of social consciousness arises in this legislation excluding that particular category, and in the process of doing so.

The mining stuff is quite a bit more difficult, and I would like the minister to clue me in before we get into committee with respect to some aspects of the matter. I take it, although I haven't had an opportunity to check this thoroughly, that portions of this mining legislation are not within the dimensions of this legislation at all, but rather within the Mining Tax Act. I just deal with these things. I can't remember if it went through in the spring.

Mr. Renwick: No, it hasn't. It's still on the order paper. Ask him if he's going to deal with that bill or if his colleague is.

Mr. Lawlor: Incidentally, on that point, is the Minister of Revenue going to be dealing with the Mining Tax Act or is the Minister of Natural Resources (Mr. Bernier)?

Hon. Mr. Meen: It is not in my ministry, so far as I am aware.

Mr. Renwick: It's the Treasurer's (Mr. White) bill, eh?

Hon. Mr. Meen: I can't answer that at all.

Mr. Renwick: It's on the order paper in his name. It seems funny for us to be debating this that way—half in one ministry and half in the other ministry.

Mr. Lawlor: Funny! It's one of the most grotesque and anomalous things in this province that we should have to truncate legislation in that particular way. It's constant. By what throwback, into what antediluvian time are we operating here that when a thing is presented in the budget estimates as whole, as a package, we find ourselves dealing with the Treasurer as the spokesman for mines, and with the Minister of Revenue in a completely different capacity? Yet the whole thing ties in.

It's because of a preservation that certain territory has been carved out to the exclusive jurisdiction of the Minister of Natural Resources. That is a precious preserve. In no way will it be alienated; In no way will it be infringed upon. That had better be ended. It's time that the Minister of Revenue covered the waterfront. I think that it can only bespeak one thing—a special, self-interested, vested bunch who want to have the arrogation of their own taxes within their own hands so that the province will not be able to get to them.

Mr. Renwick: He wants to make speeches about it and take credit for it.

Mr. Lawlor: And that can't be permitted in a tax field which is, by definition, uniform and must be non-discriminatory to elicit the best sense from the population as a whole, who have to pay these taxes to have a little group lived off and lend to it special privileges and benefits. It is just beyond me.

The Treasurer said in a speech to the Canadian Society of New York on Sept. 10, 1974, in his somewhat flamboyant manner, even with respect to such a dull matter as taxation, on page 5:

> The second new incentive involves a change in the processing allowance, particularly when the processing is done in northern Ontario. This allowance will be enriched in three significant ways. First, there will be a sharp increase in the allowance rates for ores refined in Ontario.

I looked through your legislation and I can't find that sharp increase in the allowance rate.

> Secondly, a new incentive category is to be established for companies that carry processing in northern Ontario beyond the prime metal phase.

In your legislation it takes it up to the prime metal phase, but where is this "beyond"? I don't see that. It's certainly not in the legislation before us. It may be in the other.

> Thirdly, companies will be allowed to apply the allowance when capital works are constructed rather than when they are completed and put into production.

I anticipate that the other legislation will contain these matters or—and I could be very well wrong—that somewhere, enmeshed in all this verbiage, there are allowances made under these three heads.

Apart from that, the government knows our remonstrances with respect to the depletion allowance picture. I would dare hope that the Minister of Revenue, in this very capacity, however onerous the chore may be, would take some time out and take a look at Carter. Four million dollars were spent on that document, which has now been stuffed on to the garbage heap, never used, but it's a mine of information—far more so than the work that the minister and myself did on the select committee. As a matter of fact the work which we did on that committee was somehow foreshortened—

Hon. Mr. Meen: Does the member mean Carter or Smith?

Mr. Lawlor: —because there were so many brilliant people, all the brains of the country, working on Carter at that time. We had the

devil of a time trying to get people who had competence in the various fields in which we were interested. Doesn't the minister remember that?

Hon. Mr. Meen: Is the hon. member talking about Carter or Smith?

Mr. Lawlor: I am talking about Carter. Carter had pulled in all the best thinking in the country and we had a difficult time trying to find anybody left to feed into our Smith committee any wisdom, any remote lore in these fields, and particularly, in the timber field and in the mining fields. In any event, there are long passages which, when I was young and my eyes were not as dim as they are today, I spent reading in Carter. In those passages, Carter comes down heavy and comes down with all the weight of intelligence against the depletion allowances. They are abrogated, they are discarded. The mining interests and the resource industries are much too powerful in this country in political terms to have a sensible position like Carter's accepted.

Mr. Speaker: Order, please, in view of the time, may I determine if there will be other members wishing to speak on this bill or would the hon. member then find this convenient to move the adjournment of the debate?

Mr. Lawlor moves the adjournment of the debate.

Motion agreed to.

Hon. E. A. Winkler (Chairman, Management Board of Cabinet): Mr. Speaker, before I move the adjournment of the House, I have informed my colleagues across the House of what the order of business will be, but I will read it again. We will continue on Monday with the item that we are on, that is, item 10. Then we shall proceed with items 7, 28, 29, 30, 31 and 27, hopefully in that order. I will inform the House about the resolution standing in the name of Mr. Lewis at the earliest opportunity. I am trying to arrange it now. I would hope that possibly it will be on Tuesday but that is not confirmed. The House will not sit next Wednesday.

Mr. Renwick: Mr. Speaker, before the motion for adjournment is put, the minister says the House will not sit, but the committee will sit; is that my understanding for Wednesday?

Hon. Mr. Winkler: I am not certain. I haven't consulted with the committee. If they desire to sit, I believe that that is their prerogative.

Mr. Breithaupt: Mr. Speaker, I would presume that the committee handling Transportation and Communications estimates might well be going on. As the House leader is aware there were several days the committee could not meet because of the absence of the minister in this past week.

Hon. Mr. Winkler: I believe that that is the position.

Mr. Breithaupt: I would expect that the time will be sufficient to complete those estimates, but I would presume that that estimates committee would likely sit on Wednesday in order to get in the sessional days before the cutoff time.

Hon. Mr. Winkler: That is agreeable to me, Mr. Speaker. As a matter of fact, if because of the involvement of the cabinet in northern Ontario that becomes impossible, I will see that the allowance is made.

Hon. Mr. Winkler moves the adjournment of the House.

Motion agreed to.

The House adjourned at 1 o'clock, p.m.

ERRATA

No.	Page	Column	Line	Should read:
102	4406	2	5	it is hard enough for a line minister—
108	4657	1	16	—funds available.

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